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HILLSBOROUGH COUNTY NEW HAMPSHIRE



1988 Annual Report
1989

CONCORD



HILLSBOROUGH

PORTSMOUTH

KEENE

MANCHESTER

HAMPTON

PETERBOROUGH

NASHUA

**Report
of the
Commissioners
of
Hillsborough County,
New Hampshire**

**WITH REPORTS OF
COUNTY OFFICERS**

TABLE OF CONTENTS

Hillsborough County Delegation	4
Minutes — County Delegation Meetings, 1988	8
Financial Statements, 1988	33
County Nursing Home, 1988	65
County Extension Service	67
Minutes — County Delegation Meetings, 1989	71
Financial Statements, 1989	83
Board of Commissioners Annual Report	107
County Nursing Home, 1989	108
Department of Corrections	110

COUNTY OFFICERS

COMMISSIONERS

William C. Marcoux, Jr., Nashua, N.H.
Chairman

John J. McDonough, Manchester, N.H.
Vice Chairman

Edward J. Lobacki, Peterborough, N.H.
Clerk

Cheryl Burns, Wilton, N.H.
Treasurer

Peter McDonough, Manchester, N.H.
County Attorney

Paul McDonough, Manchester, N.H.
Assistant County Attorney

Louis A. Durette, Manchester, N.H.
Sheriff

Raymond Cloutier, Goffstown, N.H.
Judge of Probate

Robert Rivard, Manchester, N.H.
Register of Probate

Judith A. MacDonald, Manchester, N.H.
Register of Deeds

John Safford, Manchester, N.H.
Clerk of Superior Court

HILLSBOROUGH COUNTY LEGISLATIVE DELEGATION 1989 SESSION

DISTRICT # 1 (Deering, Hillsboro, Windsor)	
David D. Hultgren, PO Box 40, Hillsboro, NH 03244	R
Ervin R. Lachut, RFD #2, Box 247, Hillsboro, NH 03244	R
DISTRICT #2 (Antrim)	
Larry G. Elliott, PO Box 204, Antrim, NH 03440	R
DISTRICT #3 (Weare)	
Neal M. Kurk, PO Box 1292, RR 1, Weare, NH 03281	R
DISTRICT #4 (Bennington, Francestown, New Boston)	
Roland A. Sallada, 42 Bedford Road, New Boston, NH 03070	R
DISTRICT #5 (Bennington, Francestown, New Boston, Weare)	
Elizabeth A. Moore, Cochran Hill Road, New Boston, NH 03070	R
DISTRICT #6 (Goffstown)	
Lawrence A. Emerton, Sr., 5 Wallace Road, Goffstown, NH 03045	R
Bruce F. Hunter, RFD 4, Moose Club Park, Goffstown, NH 03045	R
Alice Tirrell Knight, 4 West Union Street, Goffstown, NH 03045	R
Daniel P. McNerney, 13 High Street, Goffstown, NH 03045	R
Karen K. McRae, Black Brook Road, Goffstown, NH 03045	R
DISTRICT #7 (Greenfield, Hancock, Peterborough)	
Eleanor H. Amidon, RFD 1 Box 579, Old Antrim Road, Hancock, NH 03449	R
Merton S. Dyer, PO Box 0003, West Peterborough, NH 03068	R
Robert H. Grip, Box 206, Cornish Road, Peterborough, NH 03458	R
DISTRICT #8 (Lyndeborough, Sharon, Temple, Wilton)	
Paul L. Drolet, Jr., PO Box 408, Wilton, NH 03086	R
Howard F. Mason, RR#2, Box 107, Frye Highway, Wilton, NH 03086	R
DISTRICT #9 (Amherst, Mont Vernon)	
Garret P. Cowenhoven, Centennial Farm, Amherst, NH 03031	R & D
Carol H. Holden, Box 13, Amherst, NH 03031	R
Elizabeth D. Lown, 36 Bloody Brook Road, Amherst, NH 03031	R
Nancy L. Tarpley, PO Box 693, 60 Old Jailhouse Road, Amherst, NH 03031	R
DISTRICT #10 (Milford)	
Vivian Barry, 17 Mooreland Street, Milford, NH 03055	R
Lester R. Perham, 2 Vine Street, Milford, NH 03055	R & D
Bartolo V. Prestipino, 29 Prospect Street, Milford, NH 03055	R & D
David K. Wheeler, Mason Road, Milford, NH 03055	R & D
DISTRICT #11 (Bedford)	
Dorothy C. Bowers, 17 Heritage Drive, Bedford, NH 03102	R & D
Maurice E. Goulet, 48 Ministerial Branch, Bedford, NH 03102	R
John F. Klose, 435 Joppa Hill Road, Bedford, NH 03102	R
Barbara A. Upton, PO Box 397, Bedford, NH 03102	R & D
DISTRICT #12 (Litchfield)	
Ellen-Ann Robinson, 234 Charles Bancroft Highway, Litchfield, NH 03051	R

DISTRICT #13 (Merrimack)

Nancy G. Frank, 15 Indian Rock Road, Merrimack, NH 03054	D
Frederick G. Ahrens, 25 Cathy Street, Merrimack, NH 03054	R
Emma M. Dodge, 144 Baboosic Lake Road, Merrimack, NH 03054	R
Dennis H. Fields, 5 Derry Street, Merrimack, NH 03054	R
Guy R. Granger, Jr., 225 Naticook Road, Merrimack, NH 03054	R
Robert N. Kelley, PO Box 61, Merrimack, NH 03054	R

DISTRICT #14 (Litchfield, Merrimack)

Ellen C. Dube, 8 Morningside Drive, Merrimack, NH 03054	D
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DISTRICT #15 (New Ipswich)

Bonnie B. Packard, RR#1, Box 255, New Ipswich, NH 03071	R & D
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DISTRICT #16 (Brookline, Greenville, Mason)

Betty B. Hall, 18 Old Milford Road, Brookline, NH 03033	D
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DISTRICT #17 (Brookline, Greenville, Mason, New Ipswich)

Clyde S. Eaton, River Road, Greenville, NH 03048	R
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DISTRICT #18 (Hollis)

Gladys M. Cox, PO Box 6, Hollis, NH 03049	R
George W. Wright, 217 Hayden Road, Hollis, NH 03049	R & D

DISTRICT #19 (Hudson)

David J. Alukonis, 121 Central Street, Hudson, NH 03051	R
Lionel R. Boucher, 8 Nottingham Street, Hudson, NH 03051	R
Shawn N. Jasper, 83 Old Derry Road, Hudson, NH 03051	R
G. Philip Rodgers, 15 Lindsay Street, Hudson, NH 03051	R
Stanley N. Searles, Sr., 129 Dracut Road, Hudson, NH 03051	R
Willard N. Young, 10 Second Street, Hudson, NH 03051	R

DISTRICT #20 (Pelham)

Patrick Culbert, RFD #1 Box 57, Pelham, NH 03076	R
Michael E. Jones, PO Box 397, Pelham, NH 03076	R
Norman B. Lawrence, RFD #3, Box 248B, Pelham, NH 03075	R

DISTRICT #21 (Hudson, Pelham)

Leonard A. Smith, 3 Leslie Street, Hudson, NH 03051	R
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DISTRICT #22 (Nashua Ward 1)

Barbara J. Baldizar, 16 Parrish Hill Drive, Nashua, NH 03063	D
Robert C. Bicknell, CS 2032, Suite 285, Nashua, NH 03063	R
Paul M. Tyree, 7 Bailey Street, Nashua, NH 03063	R

DISTRICT #23 (Nashua Ward 2)

William H. Hatch, 15 Cranleigh Mews, Nashua, NH 03063	R & D
Alice B. Record, 76 Beauview Avenue, Nashua, NH 03060	R
Stanley R. Vanderlosk, 2 Charlotte Street, Nashua, NH 03060	R

DISTRICT #24 (Nashua Ward 3)

Robert A. Daigle, 133 Colgate Road, Nashua, NH 03060	D & R
Lionel Guilbert, 72 Whitney Street, Nashua, NH 03063	D
Nancy M. Ford, 56 Raymond Street, Nashua, NH 03060	R

DISTRICT #25 (Nashua Ward 4)	
Linda D. Long, 44 McKenna Drive, Nashua, NH 03062	D
Susan N. Harlan, 32 MacDonald Drive, Nashua, NH 03062	R
Donnalee M. Lozeau, 125 Shore Drive, Nashua, NH 03062	R
DISTRICT #26 (Nashua Ward 5)	
Ann M. Derosier, 4 Mill Pond Drive, Nashua, NH 03062	D
Francis X. Donovan, 2 Glen Drive, Nashua, NH 03062	D
Lucien G. Rousseau, Jr., 8 Marian Lane, Nashua, NH 03062	D & R
DISTRICT #27 (Nashua Ward 1, 2, 3, 5, 9)	
Daniel Toomey, 10 Lantern Lane, Nashua, NH 03062	D
DISTRICT #28 (Nashua Ward 4)	
Hector J. Hidalgo, 35 Central Street, Nashua, NH 03060	D
Romeo W. Jean, 16 Beacon Street, Nashua, NH 03060	D
Steve Kuchinski, 124 Walnut Street, Nashua, NH 03060	D
DISTRICT #29 (Nashua Ward 6)	
Gabrielle V. Gagnon, 22 Maurice Street, Nashua, NH 03060	D
Roland J. Lefebvre, 19 Dane Street, Nashua, NH 03060	D
James E. McDowell, 227 Pine Street, Nashua, NH 03060	D & R
DISTRICT #30 (Nashua Ward 7)	
Adam C. Gureckis, Sr., 54 Harbor Avenue, Nashua, NH 03060	D
Roland A. Morrisette, 69 Burke Street, Nashua, NH 03060	D
Ronald P. Sage, Jr., 128 Bowers Street, Nashua, NH 03060	D
DISTRICT #31 (Nashua Ward 8)	
Bonnie Lou McCann, 92 Peele Road, Nashua, NH 03062	D & R
Debora B. Pignatelli, 24 Decatur Drive, Nashua, NH 03062	D
Edmund M. Keefe, 10 Keats Street, Nashua, NH 03062	R
DISTRICT #32 (Nashua Ward 4, 6, 7, 8)	
Theresa Drabinowicz, 56 Temple Street, Nashua, NH 03060	D
DISTRICT #33 (Manchester Ward 1)	
Carolyn L. Brady, 263 North Bay Street, Manchester, NH 03104	R
Lee Anne S. Steiner, 527 North River Road, Manchester, NH 03104	R
Linda S. Wihby, 2929 Elm Street, Manchester, NH 03104	R
DISTRICT #34 (Manchester Ward 2)	
Christine A. Biondi, 648 Maple Street, Manchester, NH 03104	R
Catherine A. Schneiderat, 286 Walnut Street, Manchester, NH 03104	R
Walter A. Stiles, 226 Sagamore Street, Manchester, NH 03104	R
DISTRICT #35 (Manchester Ward 3)	
Ann J. Bourque, 780 Chestnut Street, Manchester, NH 03104	D & R
Theodora P. Nardi, 776 Chestnut Street, Manchester, NH 03104	D & R
Joanne A. O'Rourke, 91 Harrison Street, Manchester, NH 03104	D
DISTRICT #36 (Manchester Ward 1, 2, 3)	
Scott E. Green, 47 Byledge Road, Manchester, NH 03104	R
DISTRICT #37 (Manchester Ward 4)	
Lionel W. Johnson, 276 Central Street, Manchester, NH 03103	D
Toni Pappas, 432 Hanover Street, Manchester, NH 03104	R
Leon P. Pepino, 73 Walnut Street, Manchester, NH 03104	R

DISTRICT #38 (Manchester Ward 5)				
William M. Barry, 344 Maple Street, Manchester, NH 03103				D
Daniel J. Healy, 366 Lake Street, Manchester, NH 03103				D
Daniel M. McCarthy, 627 Central Street, Manchester, NH 03103				D
DISTRICT #39 (Manchester Ward 6)				
Leona Dykstra, 81 Woodcrest Court, Manchester, NH 03103				D & R
Lillian E. Soucy, 91 Alexander Drive, Manchester, NH 03103				D & R
Herbert N. Foote, Sr., 155 Mammoth Road, Manchester, NH 03103				R
DISTRICT #40 (Manchester Ward 4, 5, 6)				
Robert E. Murphy, 331 Medford Street, Manchester, NH 03103				D
DISTRICT #41 (Manchester Ward 7)				
Patricia R. Dwyer, 113 Hall Street, Manchester, NH 03103				D
Fernand A. Genest, 319 Hayward Street, Manchester, NH 03103				D
Gilles R. Provost, 32 Welch Avenue, Manchester, NH 03103				R
DISTRICT #42 (Manchester Ward 8)				
Roland O. Beaupre, 2904 Brown Avenue, Manchester, NH 03103				R
Jacquelyn M. Domaingue, 102 Donahue Drive, Manchester, NH 03103				R
John A. King, 2255 Goffs Falls Road, Manchester, NH 03103				D
DISTRICT #43 (Manchester Ward 9)				
Peter A. Burkush, 80 Randall Street, Manchester, NH 03103				D
Janet G. Barry, 51 West Elmwood Avenue, Manchester, NH 03103				R
William J. Desrosiers, Jr., 125 Overland Street, Manchester, NH 03103				R
DISTRICT #44 (Manchester Ward 7, 8, 9)				
Frances L. Riley, 322 Circle Road, Manchester, NH 03103				R
DISTRICT #45 (Manchester Ward 10)				
Mary Jenkins, 274 West Erie Street, Manchester, NH 03102				D & R
Frank J. Riedy, 36 Fenton Street, Manchester, NH 03102				D & R
Irene M. Messier, 40 New Gate Circle, Manchester, NH 03102				R
DISTRICT #46 (Manchester Ward 11)				
Paul R. Dionne, 410 Notre Dame Avenue, Manchester, NH 03102				D
Roland M. Turgeon, 609 Rimmon Street, Manchester, NH 03102				D
Rachel I. Racicot, 276 Cartier Street, Manchester, NH 03102				R
DISTRICT #47 (Manchester Ward 12)				
Gerard T. Desrochers, 25 Reed Street, Manchester, NH 03102				D
Gloria W. Kress, 690 Coolidge Avenue, Manchester, NH 03102				R
Lillian I. Rheault, 359 Reed Street, Manchester, NH 03102				R
DISTRICT #48 (Manchester Ward 10, 11, 12)				
Robert O. Ouellette, 274 Main Street, Manchester, NH 03102				R

Summary:	Towns	Nashua	Manchester	Total
Democrats	3	20	19	42
Republicans	<u>48</u>	<u>9</u>	<u>21</u>	<u>78</u>
Total	51	29	40	120
Incumbents	31	18	22	71
Freshmen	20	11	18	49

HILLSBOROUGH COUNTY LEGISLATIVE DELEGATION MEETING

January 7, 1988

Room 206 - 208, Legislative Office Building, Concord, NH

MINUTES

Chairman Levesque called the Convention to order at 3:45 p.m. and declared a quorum present.

Chairman Levesque announced that the first order of business was "To authorize the members of the Hillsborough County Convention to receive from the county treasury a sum not to exceed \$25 per day for actual attendance at meetings, retroactive to July 24, 1987." He explained that during the 1987 Legislative Session, RSA 24:9-ee was amended to increase the per diem from \$15 to \$25 per meeting. This enabling legislation, which went into effect July 24, 1987, requires a majority vote of the Delegation to implement. The additional money has already been appropriated in the F/Y 88 budget. The motion was moved and sufficiently seconded. Following brief discussion, the motion passed on a voice vote with some members voting in the negative.

The Chair announced that the second order of business was "To authorize the Hillsborough County Commissioners to accept any additional federal and other funds made available to Hillsborough County during F/Y 88; all of the said funds to be expended in accordance with the state laws relative to county expenditures." He explained that this standard language was left out of our budget resolution of June 24, 1987. The County has been awarded an energy grant by the Governor's Energy Council, however, the County cannot receive it until the Delegation passes the foregoing authorization by a majority vote. The motion was moved and seconded. On a voice vote the motion passed unanimously.

Chairman Levesque asked Rep. Cowenhoven, Subcommittee Chairman, to provide a status report on the proposed sale of the Manchester Superior Courthouse to the State Administrative Office of the Courts. He reported that HB 996-A has a hearing on Wednesday, January 13, 1988, 10:30 a.m. in Public Works, Room 201. This bill makes a \$4,600,000 appropriation for the fiscal year ending June 30, 1989 to the supreme court. Of the amount appropriated, \$3,100,000 shall be used for the state's purchase of the Hillsborough County Courthouse and \$1,500,000 shall be used for asbestos removal in the courthouse. If the supreme court does not remove the asbestos from the courthouse by July 1, 1993, the \$1,500,000 appropriated shall be given back to the state treasury and the state treasurer shall pay \$1,500,000 to the Hillsborough County Commissioners. The Commissioners are currently waiting for a written statement from Jeff Leidinger outlining the terms of the agreement as there was a misunderstanding concerning county offices remaining in the

building until January 1990 rent-free. Rep. Reidy added that the Sheriff's Department and County Attorney's Office did not agree with the provision of 2,000 square feet of space. A question was raised from the floor concerning the use of the proceeds of the sale. Chairman Levesque informed the Delegation that a Committee will be formed to determine whether or not a new county administration should be built or renovate existing property.

At the request of Chairman Levesque, J. Johnson invited members of the Delegation to attend a Farewell Testimonial for Susan Lafond on Friday, January 22, 1988 at the Chateau Restaurant. Tickets may be obtained from J. Johnson.

Rep. Durant informed the Delegation that the hearing date on HB 1012 has been changed to February 3, 1988.

Rep. Buckley asked what action the Executive Committee took following their meeting on Tuesday, January 5, 1988 at the Nursing Home regarding the charges of alleged patient abuse. Chairman Levesque reported that the Executive Committee met with Robert Curran, Nursing Home Administrator, Emily Mercier, Director of Nursing, David Horan, Assistant County Attorney, Commissioner William Marcoux and Commissioner Edward Lobacki. The Executive Committee was made aware of the facts pertaining to the incident, an investigation had been conducted and corrective action was taken. Emily Mercier listed the events which took place chronologically, beginning in November 1985. She provided justification for her decision to discipline the employee rather than recommend to the Board of Commissioners that she be terminated. Following her own investigation, there was conflicting and unsubstantiated evidence which did not warrant termination. Mr. Curran admitted that the Nursing Home was in error for not reporting the abuse complaint to the State Ombudsman's Office which is required by statute. Due to the fact that the Attorney General's Office announced that it would be conducting an investigation, the Executive Committee was in agreement that an investigative committee by this body would be a duplication of effort so no motion was made at that time.

A motion was made by Rep. Sullivan, and seconded that the Executive Committee investigate the complaints. Discussion. Rep. Green spoke in support of the Executive Committee's decision to withhold action until completion of the Attorney General's report. Rep. Murphy and Rep. Donovan also spoke in support of the Executive Committee's decision. Rep. Buckley stated that the Delegation does not approve of what has happened, our constituents should be given assurance that the matter is being looked into more fully and that the Nursing Home provides the best possible patient care. Rep. Sullivan withdrew her motion when it was the consensus of the Delegation that a press release be issued stating that the County Delegation is pleased that the Attorney General's Office has become involved, the County will cooperate fully with the investigation and that the issue if not closed.

Chairman Levesque announced that members willing to serve on the F/Y 89 Budget Subcommittees or those wishing to change their Subcommittee assignments should notify Joyce Johnson.

There being no further business, it was moved and seconded to adjourn. On a voice vote the motion passed unanimously. The convention adjourned at 4:20 p.m.

Rep. Marian Harrington
Acting Clerk
Hillsborough County Delegation
January 7, 1988

**HILLSBOROUGH COUNTY LEGISLATIVE
DELEGATION MEETING
Manchester Courthouse
May 19, 1988**

MINUTES

Present: Representatives J. Eaton, H. Humphrey, N. Kurk, E. Moore, D. Kelly, A. Knight, K. McRae, H. Mason, G. Cowenhoven, C. Holden, E. Lown, N. Tarpley, L. Perham, B. Prestipino, E. Robinson, F. Ahrens, D. Fields, G. Granger, R. Kelley, E. Dube, E. Ware, B. Baldizar, R. Daigle, L. Guilbert, D. Cote, F. Donovan, C. Jacobson, D. Price, G. Gagnon, M. McGlynn, A. Gureckis, M. Levesque, R. Morrisette, B. McCann, R. Ahern, A. Bourque, T. Cusson, J. O'Rourke, S. Green, C. Keane, T. Pappas, D. Healy, S. Zajdel, M. Sullivan, R. Murphy, P. Dwyer, F. Genest, C. Leclerc, R. Beaupre, R. Buckley, J. Domaingue, P. Burkush, J. Pariseau, W. Dion, F. Reidy, P. Dionne, R. Paquette, R. Turgeon, R. Dupont and M. Routhier. Also present were J. Johnson, R. Roulx, W. Marcoux, E. Lobacki, A. Verville, D. Horan, P. McDonough, A. Anderson, N. Pischon, M. Sullivan, L. Durette, R. Curran.

Chairman Levesque called the convention to order at 7:30 p.m. Rep. D. Healy led the pledge of allegiance. On behalf of the Executive Committee, Chairman Levesque thanked Rep. Champagne for her service to Hillsborough County. The Delegation gave Rep. Champagne a standing ovation.

1. Election of Vice Chairman of the Delegation

Rep. Levesque recognized Rep. O'Rourke who read the following report: "On this 19th day of May, 1988, the Manchester Legislative Delegation has accepted the resignation of Rep. Jocelyne D. Champagne of Hillsborough District #48 and has duly elected Rep. Raymond C. Buckley of Hillsborough District #42 to complete the term of Vice-Chairman of the Hillsborough County Delegation. Respectfully submitted, Rep. Joanne A. O'Rourke, Hillsborough District #35, Chairman Manchester Delegation. Motion by Rep. Patricia Dwyer; second by Rep. Scott Green. Rep. Lillian E. Soucy, Hillsborough District #39, Clerk Manchester Delegation."

Motion by Rep. Dion, second by Rep. O'Rourke to elect Rep. Raymond Buckley as Vice Chairman of the Hillsborough County Legislative Delegation. Vote unanimous. Rep. Buckley gave an acceptance speech.

2. Announcements

Rep. Levesque invited members of the Delegation to attend the Executive Committee F/Y Budget Hearings on June 1, 2 and 3, 1988 starting at 8:30 a.m. in Room 134 of the Manchester Courthouse.

3. **State Department of Corrections Lease Agreement**

Motion by Rep. Ahrens, second by Rep. Green to ratify an amendment to the Lease Agreement between the Hillsborough County Board of Commissioners and the State Department of Corrections for use of the land at the “new” house of correction in Goffstown. Rep. Levesque asked Comm. Marcoux to address the motion. Comm. Marcoux deferred to Nicholas Pischon, Assistant Commissioner of the State Department of Corrections. Mr. Pischon explained that the State has requested to use an additional 100 feet of land to the west of the “new” house of correction building for construction of a recreation field pending a right of way clearance with the railroad. Rep. Green and Rep. Prestipino asked questions for clarification. The question was moved, seconded and adopted. On a voice vote, the motion passed unanimously.

4. **State Administrative Office of the Courts Lease Agreement.**

Motion by Rep. Green, second by Rep. Reidy to ratify a lease between the Hillsborough County Board of Commissioners and the State Administrative Office of the Courts for the period of July 1, 1987 to June 30, 1988 in the amount of \$40,370.58 per month for space at the Manchester and Nashua Courthouses. The question was moved, seconded and adopted. On a voice vote, motion passed unanimously.

5. **Tax Penalty Abatement**

Motion by Rep. Robinson, second by Rep. Guilbert to abate the interest penalty for late payment of county taxes on the over-assessed amount of 1987 county taxes for the Towns, except Manchester. Rep. Robinson explained that the motion reduces the late payment penalty only on the overassessed amount. The question was moved, seconded and adopted. On a voice vote, motion passed unanimously.

6. **Elected Officials' Salaries**

Motion by Rep. Robinson, second by Rep. Dupont to establish the following salaries as recommended by the Blue Ribbon Salary Committee to become effective January 1, 1989: County Commissioner \$13,300; Chairman, Board of County Commissioners \$14,400; County Treasurer, \$42,900; County Attorney \$51,800; County Sheriff \$33,000; Register of Deeds \$34,000. Rep. Robinson explained that by statute, the County Convention must set the salaries by June first. The Committee reviewed a salary history of Hillsborough County's elected officials and computed increases of 10%, 8%, 7% and 5%; compared these figures to a survey of county elected officials and department heads state-wide and reviewed what the Commissioners were proposing for department heads in their F/Y 89 Budget; and by rounding arrived at the numbers presented. She added that the Committee looked at the position — not the person holding the office. The Committee also recommended that the increases

become effective January 1, 1989 when then candidate takes office. County Attorney Peter McDonough asked why the Committee didn't interview the elected officials. Rep. Robinson explained that the Committee cannot evaluate their performance, only the position, they remained as objective as they could by comparing the available salary data. Comm. Marcoux stated that the process wasn't done fairly and the elected officials should have been interviewed to comment on how their departments compared to other counties. Rep. Robinson stated that the Committee would keep this in mind next time. Rep. Green spoke in opposition to the motion because the three full-time elected officials should be paid equally. Rep. Domaingue and Rep. Cusson asked questions for clarification. Rep. Dupont moved to amend the motion that the salary increases become effective July 1, 1988. Second by Rep. Dion. Rep. Prestipino spoke in opposition to the amendment. Comm. Marcoux stated that the Delegation could withdraw his recommended increase in pay. Rep. Murphy asked a question for clarification. The question was moved, seconded adopted. On a roll call vote the amendment failed 23 - 36.

Yeas

Representatives D. Fields, B. Baldizar, F. Donovan, M. McGlynn, A. Gureckis, R. Morrisette, R. Ahern, A. Bourque, T. Cusson, J. O'Rourke, D. Healy, S. Zajdel, M. Sullivan, P. Dwyer, F. Genest, C. Leclerc, R. Buckley, P. Burkush, W. Dion, F. Reidy, P. Dionne, R. Dupont and M. Routhier.

Nays

Representatives J. Eaton, H. Humphrey, N. Kurk, E. Moore, D. Kelly, A. Knight, K. McRae, H. Mason, G. Cowenhoven, C. Holden, E. Lown, N. Tarpley, L. Perham, B. Prestipino, E. Robinson, F. Ahrens, G. Granger, R. Kelley, E. Dube, E. Ware, R. Daigle, L. Guilbert, D. Cote, C. Jacobson, D. Price, G. Gagnon, B. McCann, S. Green, C. Keane, T. Pappas, R. Murphy, R. Beaupre, J. Domaingue, J. Pariseau, R. Paquette, R. Turgeon.

Rep. Cowenhoven moved to amend the motion that the increases for the County Attorney, County Sheriff and Register of Deeds be limited to 4%: \$49,800 County Attorney, \$32,000 County Sheriff and \$32,600 Register of Deeds. Second by Rep. Kurk. Rep. Cowenhoven stated that inflation is running at about 3.9% and the County has to hold the line on expenditures. Rep. Domaingue asked the current state of county finances. Comm. Marcoux responded that the county will not be in a deficit situation this year. Rep. Robinson clarified the statute which established salaries biennially. This will be the only increase for two years. Rep. Green, Rep. Mason and Rep. Donovan spoke in opposition to the amendment. Rep. Kurk spoke in support of the amendment. The question was moved, seconded, adopted. Rep. Murphy made a parliamentary inquiry. On a division vote, the amendment failed 13 - 46. On the original motion, the question was moved, seconded, adopted. On a division vote the motion passed 43 - 16.

7. Building/Planning Committee Report

Comm. Verville, Chairman of the Building/Planning Committee explained that if the sale of the Manchester Courthouse is approved by the Delegation, the County must look for alternate office space. The Building/Planning Committee has been charged with determining the future space needs of the county and would like to stream line county building operating expenses. Rep. Cowenhoven explained the county currently spends over \$500,000 to maintain the Nashua Courthouse and County Complex in Goffstown. The Committee is looking at ways to combine all of the county's facilities. Rep. Robinson explained that House Bill 996 was signed by the Governor appropriating \$3.1 million to purchase the courthouse. A purchase and sale agreement has been signed by the State and the Board of Commissioners. The vote will be coming before the Delegation on June 28, 1988. If adopted, the building must be vacated by January 1, 1990. In June, the Building/Planning Committee will be making a recommendation to establish a capital reserve fund allowed by RSA 35:1 to either purchase or renovate existing facilities for county offices and to allow an expenditure of approximately \$25,000 - \$30,000 for a structural engineer to look at the facilities and make a recommendation. The Committee is hosting a chicken barbeque and tour of the old county complex in Goffstown so that members of the Delegation can see what the county currently owns. Rep. Kurk asked how many county employees are affected by the sale. R. Roulx responded approximately 150. The County will retain 2,000 square feet in the Manchester Courthouse after January 1, 1990. Rep. Beaupre asked if the Committee was planning to combine the Manchester and Nashua Offices. Rep. Robinson responded that the feasibility study will determine those recommendations. Rep. Levesque urged the members of the Delegation to attend the picnic and keep an open mind.

8. Other Business

Comm. Marcoux gave a status report on the Nashua Courthouse handicapped accessibility renovations. The original estimate was over \$500,000, the project will be completed under \$150,000.

Rep. Green spoke in favor of the Chairman appointing a select committee to review the report of the Attorney General's Investigation of the Hillsborough County Nursing Home.

Motion by Rep. Reidy, sufficiently seconded to adjourn. Vote unanimous. The meeting adjourned at 9:30 p.m.

Rep. Ellen-Ann Robinson, Clerk
Hillsborough County Legislative Delegation

**HILLSBOROUGH COUNTY LEGISLATIVE
DELEGATION MEETING
Manchester Courthouse
June 28, 1988**

MINUTES

Present: Representatives J. Eaton, R. Sallada, E. Moore, R. Gage, D. Kelly, A. Knight, K. McRae, C. Bass, M. Harrington, H. Mason, G. Cowenhoven, C. Holden, E. Lown, L. Perham, B. Prestipino, D. Bowers, A. Burns, M. Shriver, E. Robinson, F. Ahrens, D. Fields, G. Granger, N. Frank, R. Kelley, B. Packard, B. Hall, E. Ware, B. Baldizar, S. Vanderlosk, R. Daigle, N. Ford, L. Guilbert, F. Donovan, C. Jacobson, G. Gagnon, M. McGlynn, M. Levesque, R. Morrisette, B. McCann, L. Steiner, R. Ahren, C. Schneiderat, W. Stiles, A. Bourque, T. Cusson, J. O'Rourke, S. Green, T. Pappas, D. Healy, S. Zajdel, M. Sullivan, R. Murphy, F. Genest, C. Leclerc, R. Beaupre, R. Buckley, J. Domaingue, P. Burkush, J. Pariseau, F. Reidy, R. Turgeon, G. Desrochers, R. Dupont, M. Routhier.

Chairman Levesque called the Convention to order at 7:40 p.m. with the Pledge of Allegiance.

Rep. Levesque announced that since this is a meeting of the County Delegation, only members of the Hillsborough County Legislative Delegation are allowed to be seated in the pews, but if there are extra seats, members of the public may remain seated. Representatives are the only ones that can speak and make motions. All budget amendments shall be submitted to the Clerk of the Delegation in writing and specify the line item and amount to be increased or decreased.

Rep. Robinson, called the roll. Rep. Levesque declared a quorum present.

Rep. Cowenhoven moved to ratify the purchase and sale agreement between the Hillsborough County Board of Commissioners and the State of New Hampshire relative to the sale of the Manchester Courthouse for \$3.1 million and to authorize the Hillsborough County Board of Commissioners to sell the Courthouse to the State in accordance with the agreement. Second by Rep. Robinson.

Rep. Cowenhoven spoke in support of the motion. The bill was passed by the House and Senate and signed by the Governor. It is a good deal for both the County and the State economically. There being no questions or comments from the Delegation. The question was moved, passed. Rep. Levesque re-read the motion. On a voice vote, motion carried with no negative votes.

Rep. Robinson moved to approve the Hillsborough County F/Y 89 Budget as recommended in the Hillsborough County Executive Committee's proposed budget dated June 6, 1988. Second by Rep. Buckley.

Motion by Rep. Robinson to amend the Executive Committee's proposed budget to incorporate the following changes: Reduce Rent (9077) by \$371,036 and increase new line item Proceeds Sale of Courthouse by \$3,100,000 for a Total Income From All Sources Except Taxation of \$13,391,802; Increase Capital Outlay - Hillsborough County Administrative Building (9291) by \$3,100,000 to be used for the construction, reconstruction and/or acquisition of an administrative building in Hillsborough County and to allow the Board of Commissioners, upon approval of the Executive Committee to expend said funds in payment of obligations pursuant to the purpose of the appropriation so stated above and further, to allow the Hillsborough County Commissioners to spend the necessary funds not to exceed \$30,000 of said appropriation to finance a feasibility study of current county property for the purposes of making available information on the costs of renovating versus new construction of a facility that will house all County departments exclusive of the Corrections Division and the Nursing Home; Reduce Manchester Courthouse (4160) by \$181,358; Reduce County Attorney Salaries (4110) by \$1 and increase County Attorney Capital Outlay (9210) by \$1 to leave the line item open; Increase Old Complex Capital Outlay (9209) by \$12,674 to replace the tractor; Increase County Convention Other Fees/Outside Services (9370) by \$999 to cover costs associated with Personnel Committee Hearings; for a total appropriation of \$36,688,848, and that the sum of \$23,297,046 be raised in county taxes, the said county tax to be reduced by the final surplus figures upon closing of the county records for fiscal year 1988. Second by Rep. Buckley.

Rep. Robinson spoke in support of the amendment. Since we just approved the sale of the Courthouse to the State of New Hampshire, we removed rent received from the State (\$371,036) and we added the sale income (\$3,100,000). Total income from other sources is \$13,391,802. Further, this motion establishes a capital outlay line item which appropriates the \$3,100,000 for the construction, reconstruction, and/or acquisition of an administrative building in Hillsborough County. This \$3.1 million is offset by the income. The original intent of the Executive Committee and Commissioners was to request that the \$3.1 million be placed into a capital reserve fund. After reviewing state law we discovered we are not able to put all of the \$3.1 million into a capital reserve account. It is the feeling of the Executive Committee that we need to retain that money, because when we move, we have to have someplace to put the employees of this Building. We contacted the Division of Revenue Administration and their recommendation was to establish a capital outlay line item. That is the motion just read — to increase capital outlay by that amount for an administrative building. It also allows the expenditure of \$30,000 for a feasibility study. We talked to the Delegation about this at our Meeting last May. Many of you were able to go out and view the facility in Goffstown. We also reduced the cost of operating the Manchester Courthouse

since it will be operated by the State. This motion leaves \$28,000 for telephone, \$45,000 for building rental and \$23,000 for one month of operating expenses. The county attorney pointed out at the last meeting of the executive committee that we put \$0 in their capital outlay item which would not allow any expenditure in case of emergency. We are recommending that \$1 be taken out of their salary line item and \$1 put in the capital outlay line item to keep it open. We increased old complex capital outlay by \$12,674 to replace the tractor which is needed to maintain the old complex facility. We increased County Convention Other Fees/Services by \$999 because of three personnel hearing requests. The three officers of the Delegation are the Personnel Committee. Any county employees that are dismissed have the right to appeal to the Personnel Committee. We have no money in our budget for a stenographer to take transcripts of those hearings, this appropriation is for that purpose.

Rep. Robinson explained further that since much of the controversy about this budget is on salaries, as Chairman of the Blue Ribbon Salary Committee, appointed by the Chairman of the Delegation, she would like to explain that portion of the budget. Basically, the Blue Ribbon Committee took the information from Yarger Associates. Yarger was a company that was hired by the Commissioners and budgeted by the Executive Committee to review personnel positions, pay scales, do a comparison between what we are paying our employees here in Hillsborough County, what other counties, the State of New Hampshire, other cities and towns are paying, and a review of private industry. We took the information from the Yarger Report, it is my understanding the Commissioners have accepted the salary portion of the report. The Blue Ribbon Salary Committee looked at that. It is important to point out that we have two groups of employees, those that are part of the union, those are not part of the union. The employees that are part of the union, had to be dealt with separately. The Commissioners did budget for both groups in their budget. It is our opinion that since they don't have an agreement with the union, we cannot budget for increases in salaries for union employees because they have not reached any final agreement to our knowledge at this date. So the number is still a fluctuating number, it can go up or go down, we are assuming it will go up. Therefore we did not budget for the increases for those employees, based on the fact that we have no agreement. Now the Commissioners have suggested to you in a letter that we should budget for those salary increases in a contingency account. At the Public Hearing, Comm. Marcoux and I got into a debate about the use of contingency account. I have since researched the uses and discovered, by law we are only allowed to budget 1% of our budget less debt service, capital outlay. This would have left us with \$302,000 in contingency. That is not enough money to fund the salary increases proposed by the Commissioners for the bargaining unit. It would still require a supplemental appropriation. Tonight, I understand the Commissioners are handing out another letter asking for a salary adjustment account. That is something that could be done, but if you were to do that, you would be using some hypothetical number because you don't know what the actual agreement is going to be, you could appropriate larger than you needed. If you appropriated that larger amount, if I were an

employee, I would ask for that amount. Or you could appropriate less than what ends up being the final agreement and that would cause you again to have a supplemental appropriation. In addition to that, you as a Delegation, once you put the money into a salary adjustment account, you do not have an opportunity to vote on that salary increase for the next year. So it was our opinion, that we should not do either a contingency because it will no where near be enough money or the salary adjustment account because you still don't know what the amount is. Therefore, it is the recommendations of the Blue Ribbon Salary Committee and the Executive Committee that we must come to you in the form of a supplemental appropriation. Which historically, Hillsborough County has used, other school districts and towns in the state of New Hampshire use and other counties use. That's the reason for that group of employees. The second group of employees — those not covered by the collective bargaining unit — when Yarger did its survey, it looked at trying to make our employees competitive and in order to do that, they looked at position and compared them to similar positions in public and private employment. They then assigned grade levels to those positions depending upon the responsibility of the job. In addition to that, they built a step system of longevity. In other words, as you are there every year, you move up a step to certain point where you have to be there several years before you move up a step. When the employees were taken from one position, for example, a secretary, they reviewed that job and placed into a new grade level. The Commissioners' proposal has them going to the new grade and getting their longevity increase. This is the non-bargaining people. The method proposed by the Executive Committee is Method II, proposed by Yarger and that is getting everyone into their proper grade level, making them competitive based on other salaries in public employment, but not going all the way to longevity increases at the same time. In other words, what we did was put the people into their new grade level for that particular position and then gave them at least a 5% increase, so no one gets less than 5%, some get up to 27% depending upon the employee. So even with the Executive Committee's proposed salary increases, there are significant salary increases for employees but not as significant as what the Commissioners proposed which in some cases was as high as 47% increases. That's basically what we have proposed, why we have done it for the salaries at this point.

Rep. L. Burns asked Rep. Robinson if there were job descriptions for each of the jobs in their grade level. Rep. Robinson responded yes.

Rep. Baldizar asked for clarification on the part of the budget that deals with union employees. If we as a Delegation were to vote tonight to approve the Executive Committee's Budget, are we voting for some unknown figure because we don't know what the collective bargaining agreement is at this time. Are we still voting an unknown dollar figure. Rep. Robinson responded that you are voting an unknown bottom line figure because we don't have an agreement. It has happened in the past that we haven't had an agreement for another whole year. I don't think that is going to happen, but it has occurred.

Yes, we don't have bottom line figure, there is no way to have a bottom line figure, and hopefully we will have an agreement and be able to come back in the early fall and vote a supplemental budget. The Commissioners will make a recommendation, the Executive Committee will make a recommendation, and you decide at that point. That's the only way you are going to know the bottom line.

Rep. Harrington reminded the Delegation they are going to need to come back in the early fall to vote on salaries, the unknown bottom line is assuming that those people in the bargaining unit stay where they are and you know that's not going to happen. It's obvious that it needs some adjustment, how much — we won't know until a future date. So please, if you care about salaries, plan to come back.

Rep. Cusson stated there are two issues to look at. The Nashua and Manchester Delegation received a letter indicating that if we supported the Commissioners' Budget we are looking at a 43% increase. That letter assumed that Manchester and Nashua were going to pay the DRA error made last year. We are still in the process of negotiating a settlement. If we move on the budget tonight, we assume that we are going to pay that. The second point was that we can't budget because we don't know what the union settlement is going to be. We further heard that we are asking to vote on a budget that we don't know the bottom line. It would be prudent to consider that since we have to come back here again to vote a continuing budget resolution, so that when we come back, we have all of the facts and figures, so that we know exactly what we are voting on so if we do vote tonight, we are voting on part of a budget without knowing what is going to happen to \$1.4 million that seriously concerns Manchester and Nashua. I ask that when this vote comes up that we vote no and that we vote to continue the current budget until such time the union settles, which we assume will be shortly and within the month we can finalize our problem with DRA.

Rep. Buckley stated that even if Manchester doesn't pay the \$757,000 bill, the Commissioners' Budget would still increase the county tax by 29%. That is still a significant increase. Five weeks ago you elected me your Vice Chair, at that time, I made a commitment that I would do my best. I have spent the past 17 days working on this budget. I'm not one that is known as a reactionary conservative. I would like to point out the importance of the Committee system and how it works. We have spent a significant amount of time working on this budget. I think it is fair for the county employees and the tax payers. I agree that employees should earn more money for the job they do. I think they do a wonderful job but we also have to remember that there are taxpayers out there, young people who cannot afford their own homes because of the high property tax. There are elderly people on fixed incomes that cannot afford to keep their homes because of the high property tax. We have to balance, that's the job of the Executive Committee, that's what we did, we went item by item, spent 17 days working on this. All of us spent a great deal of time working on this. We are 21 members who represent the county. We are not all republicans, we are not all democrats, we represent you, we represent the county, because

we are 21 members, we are not able to be pressured by any one constituency group. All of us represent you. I think we have done a good job, we have had to give and take, I think we have come up with a budget that is fair, that's decent and is something the taxpayers can afford and does our county government justice.

Rep. Levesque added that the 21 member Executive Committee and approximately 30 members of the Delegation served on budget subcommittees and had input on the budget.

Rep. Reidy stated that all the items Rep. Cusson questioned this evening were discussed at subcommittee meetings which he did not attend. Rep. Cusson stated that Rep. Reidy was aware of the reason he did not attend.

Rep. Frank asked Rep. Buckley, if we go with the Commissioners Budget, will that tie the hands of union negotiators so they would be stuck at a lower rate. Rep. Buckley responded that we can't tie the hands of the union negotiators. That's why we said, if it's too high, then we've overtaxed the people, if it's too low then we have to come back with a supplemental budget. The Commissioners are saying, we don't want to have to bring you back. Well, if we don't appropriate enough money, how do we know how much that money is going to be. We could put in \$200 million dollars. Maybe that would be enough. Then we won't have to come back. Clearly, if we do what the Commissioners want, which is to set an arbitrary figure for the union, we are going to have to come back.

Rep. Frank stated that using that logic, it would be best for the union for us to accept the Executive Committee's Budget so that they can negotiate freely.

Rep. Robinson responded to the issue of a continuing resolution. It is within power of the delegation to vote that but I want to point out to you the risk involved. The county convention is required to adopt a budget by no later than September 1, therefore if the county convention fails to adopt a budget by June 30, they are authorized to enact a continuing resolution which authorizes county officials to make expenditures at the same level as the previous year's budget, exclusive of capital items. If the county convention does not adopt its annual budget by Sept. 1, the budget as proposed by the county commissioners shall take effect. We are going into summer, vacation time, we only have 60 people here tonight. What happens during the middle of the summer when we try to have a delegation meeting and try to get a quorum. There is a risk if we don't vote a budget. My feeling is, that the county puts itself in a very dangerous situation when it does this. We cannot have any capital expenditures which means that everything that is being planned by departments cannot take place. It's not a good budgeting system, what we are proposing is not perfect either, obviously, we would prefer to have an agreement, vote a bottom line tonight and be done with it. Unfortunately, we are not in that position and the advantage of going with a supplemental budget is the county continues operating and we can come back after Sept. 1 and hopefully not have a problem with a quorum that we have here tonight.

Rep. Hall asked Rep. Robinson what if we do vote the Executive Committee's Budget and the agreement with the union goes past the time of the setting of the tax rate for the local communities, local communities will set their rates low and then get pasted next year. Rep. Robinson agreed, there is a certain risk involved in that. If you go beyond, I think Oct. 1, there is a risk that it would be a carry forward to the next tax setting time and you are right, it would be a double whammy. It certainly behooves the Commissioners to come up with an agreement that we can vote in September.

Rep. Dupont asked if it is the intent of the Executive Committee's motion to interfere with the contract negotiations between the Commissioners and the union. Is it our intent not to accept their recommendation, what is the sense of the union negotiating with the Commissioners if at some point in time, somebody says they are not going to pay that kind of money. The second point of information, that continuing resolution can only go as far as Sept. 1 and if we don't pass a budget, the Commissioners will go into effect. The idea of continuing resolution doesn't do anything, it might buy one more month.

Rep. Robinson stated there isn't a response for the Executive Committee as far as what is being negotiated right now, we don't have an agreement. Certainly, it's the Delegation's right to vote a supplemental budget up or down. We are not involved in negotiations. We accept a package from the Commissioners, make a recommendation to you and you vote it up or down.

Rep. Green moved to amend the budget on pg. 12, line item 4140-010, move that two additional deputy positions be created in the Sheriff's Department for F/Y 89 total amount of \$45,836 for salaries and fringes. Second by Rep. Murphy. Rep. Green spoke in support of his motion. His request was voted down by a majority of the Executive Committee based on the reasoning that they increased the number of positions at the jail and house of corrections. These three agencies share the same head, the Sheriff, because of a crisis in management. Several weeks after that request was turned down \$94,000 was voted to the Sheriff's Department for overtime — twice the amount that my amendment would have. Deputy Sheriffs had to work overtime to provide transportation for prisoners, patrolling towns when the Sheriff's Department was called in to cover in the police officers absence. Providing coverage for towns and cities when there is a lack of police coverage is a traditional and important role of the Sheriff's Department. It is nothing new in this county or state. The question was moved, seconded and passed. On a voice vote, the motion to amend the budget failed.

Rep. Green stated that several weeks ago, the Sheriff's Department again came to the Executive Committee requesting funding for a new cruiser. Most of the Sheriff's fleet is old. The Sheriff's vehicle fleet spends most of its time in the garage. Rep. Levesque asked Rep. Green to make a motion prior to discussion. Rep. Green moved to amend the Executive Committee's budget that an additional equipped police cruiser be acquired for the Sheriff's Department in the amount of \$700 for the radio and \$5,400 for the cruiser for a total of

\$6,100. Second by Rep. Murphy. Rep. Green stated that the Sheriff's Department is in need of new vehicles because they are so old and cost of maintenance is so high. Rep. Burns asked if this was for a leased car or to own out-right. Rep. Green responded leased. Rep. Burns asked what was the lease program we funded last year. Rep. Robinson stated that we have 14 leased vehicles, this is the year they will be replaced, they are only 3 years old, they are being replaced in this budget with 14 new vehicles, we do own two 1983 Dodges that are still in use. It is my understanding from the Sheriff's Department, they are not replacing those 1983 Dodges, they expect to continue to keep them on the road. His request was for two additional vehicles. Rep. Burns asked if the \$5,000 was to lease one car for one year. Rep. Green responded yes. The question was moved, seconded and passed. Rep. Levesque reread the amendment. On a voice vote, the motion to amend the budget failed.

Rep. Frank moved to increase 4100-230 Commissioners Consulting expense by \$50,000. Second by Rep. Fields. Rep. Frank spoke in support of her motion. The towns were overcharged of money last year. If the cities pay back with interest, it would be more than \$50,000 she is requesting to pay an outside consultant to go through and figure out the proper proportion the towns should be charged in relationship to the services. Rep. Harrington asked Rep. Frank if this is the same proposal the Executive Committee received from the Mr. Verrochi, Selectmen from Amherst and Rep. Frank said it is similar. Rep. Green spoke in opposition to the motion because it should include what the function of county government should be as well as who should pay what share, otherwise it would be a waste of money. Rep. Frank said the Towns are being charged inappropriately in proportion to the services. The question was moved, seconded, passed. Rep. Levesque re-read the amendment. The motion to amend the budget failed on a voice vote.

Rep. Buckley moved the question on Rep. Robinson's amendment. Rep. Cusson asked the Chairman if he could speak twice because the Representative from Litchfield was allowed to speak twice to her motion. He wanted to remind the Manchester and Nashua Delegation that it might be best to vote no to this present motion and then vote on a subsequent motion to continue this budget. By doing so, we will not jeopardize any condition that we are trying to make with DRA on a settlement with a difficult issue. If you want to vote on only half the job, vote this budget, but if you want to vote from an informed point of view with all the information, we'll know exactly what the union settlement is going to cost us, and also how DRA proposes to settle this error, then vote no on the next motion and yes to a subsequent motion for a continuing budget resolution.

The Chairman asked if there was further discussion on the amendment proposed by Rep. Robinson. The question was moved, seconded and passed. On a voice vote, motion to amend the budget passed with no negative votes.

Rep. Levesque asked if there was further discussion on the budget as amended. Rep. Fields asked for clarification on the motion. Rep. Levesque moved the question, seconded and passed. Rep. Frank asked for a point of order. She said that she didn't hear any negative votes on the amendment. Rep. Levesque went back to Rep. Robinson's amendment. Again, the motion to amend the budget passed with no negative votes.

Rep. Levesque stated that you are now voting on the budget as amended. The question was moved, seconded and passed. On a voice vote, the budget as amended was passed.

Rep. Robinson moved to authorize the Hillsborough County Board of Commissioners to accept any additional federal or other funds made available to Hillsborough County during F/Y 1989. Second by Rep. Buckley. Rep. Robinson said the motion was self explanatory, it allows the Commissioners to accept any available funds. Question was moved, seconded, passed. Rep. Levesque re-read the motion, motion passed with no negative votes.

Rep. Mason moved to adjourn, second by Rep. Guilbert. Motion passed unanimously. The meeting adjourned at 9:00 p.m.

Rep. Ellen-Ann Robinson, Clerk
Hillsborough County Legislative Delegation

HILLSBOROUGH COUNTY LEGISLATIVE DELEGATION

Manchester Courthouse

October 26, 1988

MINUTES

Present: Rep. H. Humphrey, Rep. N. Kurk, Rep. E. Moore, Rep. R. Gage, Rep. D. Kelly, Rep. C. Bass, Rep. R. Grip, Rep. P. Drolet, Rep. H. Mason, Rep. G. Cowenhoven, Rep. C. Holden, Rep. E. Lown, Rep. N. Tarpley, Rep. L. Perham, Rep. B. Prestipino, Rep. E. Wheeler, Rep. K. Wheeler, Rep. D. Bowers, Rep. A. Burns, Rep. M. Shriver, Rep. E. Robinson, Rep. F. Ahrens, Rep. D. Fields, Rep. G. Granger, Rep. R. Kelley, Rep. G. Cox, Rep. E. Ware, Rep. S. Vanderlosk, Rep. R. Daigle, Rep. N. Ford, Rep. L. Guilbert, Rep. L. Long, Rep. F. Donovan, Rep. C. Jacobson, Rep. G. Gagnon, Rep. R. Lefebvre, Rep. M. McGlynn, Rep. A. Gureckis, Rep. M. Levesque, Rep. R. Morrisette, Rep. E. Keefe, Rep. B. McCann, Rep. L. Steiner, Rep. R. Ahern, Rep. W. Stiles, Rep. A. Bourque, Rep. J. O'Rourke, Rep. S. Green, Rep. C. Keane, Rep. T. Pappas, Rep. D. Healy, Rep. L. Soucy, Rep. M. Sullivan, Rep. R. Murphy, Rep. P. Dwyer, Rep. F. Genest, Rep. R. Beaupre, Rep. R. Buckley, Rep. J. Domaingue, Rep. P. Burkusk, Rep. W. Desrosiers, Rep. J. Pariseau, Rep. W. Dion, Rep. I. Messier, Rep. F. Reidy, Rep. R. Paquette, Rep. R. Turgeon, Rep. G. Desrochers and Rep. M. Routhier. Also present were W. Marcoux, A. Verville, E. Lobacki, J. Johnson, D. Horan, E. Mercier, R. Curran, A. Anderson and members of the public.

Chairman Levesque called the Convention to order at 7:10 p.m. with the Pledge of Allegiance led by Comm. Verville. Motion by Rep. Cowenhoven, second by Rep. Murphy that the clerk call the roll. Rep. Robinson called the roll, there were 70 representatives present.

Motion by Rep. O'Rourke, second by Rep. Soucy that the Hillsborough County Delegation accept the nomination of Rep. William Dion to the Executive Committee. Rep. Levesque asked if there were any other nominations. There being no further nominations from the floor, it was moved and seconded to close nominations. On a voice vote, the motion passed unanimously.

Motion by Rep. Cowenhoven, second by Rep. Ahrens to ratify the lease agreement between the State of New Hampshire and the Board of Commissioners for 11,601 square feet of space at the Nashua Courthouse in the amount of \$6,640 per month for the period July 1, 1988 to June 30, 1989. Rep. Stiles asked how they arrived at the rent figure. R. Roulx responded we are collecting the rent from the State of New Hampshire which is about \$8.00 per square foot. There being no further questions or discussion, on a voice vote, the motion passed unanimously.

Motion by Rep. Robinson, second by Rep. Dion to rescind the vote of the Delegation made on June 24, 1987 to appropriate the sum of \$1,500,000 in bonds, for the removal and replacement of the asbestos insulation in the Hillsborough County Courthouse. Rep. Levesque explained that since the County sold the courthouse, there is no need to remove the asbestos. By rescinding the vote, this liability is taken off the county books. There being no discussion, the motion passed unanimously on a voice vote.

Motion by Rep. Buckley, second by Rep. Robinson to approve the Building/Planning Committee's and Board of Commissioners' recommendation to renovate the Bouchard Building (Goffstown) into a County Administration Building for all county departments, exclusive of the Nursing Home and Corrections, with continued utilization of the Temple Street Facility (Nashua Courthouse) as the Registry of Deeds with satellite offices for the Sheriff and County Attorney and to authorize the Board of Commissioners to implement the recommended plan dated October 3, 1988 but not to exceed the \$3,100,000 appropriated by the Delegation on June 28, 1988.

Comm. Verville, Chairman of the Building/Planning Committee addressed the Delegation. Comm. Verville stated that all of us by nature are procrastinators. It's not until the first chest pains, we decide to buy insurance. This chest pain can relate to the sale of the courthouse. When that took place, we were faced with the reality that we no longer had a choice, we could no longer procrastinate doing those things that would consolidate county government for the next few years. This is an opportunity to cast a vote that will affect county government and its operations for 15 - 50 years and as long as county government is in existence. The proposal being presented to the county delegation is one that has been worked at very hard. It was initiated back in January. This stack of documents is a culmination of 15 meetings. The entire project has been nursed through the various processes. When the Committee undertook this task, we tried to be very objective, we knew we would face political concerns. We tried to be fair in addressing all these concerns. We presented two final proposals, one was not acceptable so we compromised to accommodate the Nashua area as well as our concerns here in the Manchester area. All of this will be done with the money that you wisely set aside for that purpose. All of these improvements can be done with no cost to taxpayers of Hillsborough County. We did receive some negative comments relative to our proposal but I think we have to be objective today. This is the day of computerization, people travel 100 miles commuting to work, none of us live within walking distance of our employment. If we are to accept this proposal we would be creating some distance between ourselves and the people we serve but they will not have to travel great distances to do business with us. The Registry is staying in Nashua and we are accommodating the Sheriff & County Attorney in Nashua. With the sale of the courthouse we were still able to retain some space for those departments. With the renovation and what will take place in Goffstown, it will provide us with space to accommodate our other departments for years and years to come. So, I feel that we were very fair in addressing all the concerns and all I can say is that I don't think that we will

ever have an opportunity like this to do what I think is the right thing to do for Hillsborough County for the next fifty years. I urge you to please vote favorably on our recommendations.

Motion was made and seconded to close discussion. Passed. On a voice vote the motion passed unanimously. Rep. Levesque commended Comm. Verville for his work as Chairman of the Committee. Comm. Verville acknowledged the individuals who worked very hard in accomplishing this project, Comm. Lobacki, Comm. Marcoux, Rep. Buckley, Rep. Robinson, Rep. Cowenhoven, Joyce Johnson and Richard Roulx and Joyce Champagne who was an early member of the Committee.

Motion by Rep. Ahrens, second by Rep. Reidy to approve the Hillsborough County Board of Commissioners' request for a supplemental appropriation in the amount of \$2,077,478 for the purpose of salary and fringe benefit increases for employees covered by the collective bargaining agreement and additional interest payment on the tax anticipation note; to be funded from either available current surplus, by raising the amount from county taxes to be imposed in the next fiscal year, or from such other funds that may become available to the county.

Comm. Marcoux stated that this is the culmination of many months of negotiations between the union and the county negotiating team. We feel we have reached a fair contract for the county and for the employees who are a member of the collective bargaining unit. We feel this will allow us to make our wages competitive so we can compete for people in the job market which we haven't been able to do, and keep valuable county employees on our payroll.

Rep. Robinson, Chairman of the Blue Ribbon Salary Committee, explained what the Delegation was voting on. The Commissioners can approve the package but you have to approve the dollars that go along with it. We have three contracts with our employees, the nursing home contract (3 year), sheriff's department (3 year) and Corrections (2 year). The fringe benefits within the contract are 12 holidays; vacations, this contract has added a fifth week of vacation after 15 years of employment; sick leave reimbursement, has been in the contract for a while, if the employee doesn't take any sick leave then at the end of the year they receive payment from the county for all sick leave not used. They earn 16 days per year and are not allowed to carry that over; health insurance, in the past, the county had a different plan with a projected cost increase of 76%. The commissioners have approved a new plan that will increase the cost by 56%; life insurance, in the past employees were entitled to \$4,000, now the county proposed one times their annual salary; disability insurance coverage has improved. Employees were entitled to no more than \$200 per week for 13 weeks, now it is \$300 per week for 26 weeks; shift differentials, if employees work 2nd or 3rd shift, they receive more per hour. In the past we paid .35 for 3-11 and .45 for 11-7 shift. Now it will go to .55 for both shifts, .60 next year and .65 the third year of the contract. We have increased

slightly tuition reimbursements. In the wage package, average increase for the sheriff's department is 15%, nursing home 25.66%, corrections is closer to 35%. Those are the salary proposals for first year of the contract. Wages are the only subject that is open to negotiation in the second and third years. They will be re-opened with at least a 6% minimum increase. You should also be aware that the steps have been increased. In the past, steps were 6 months, 3 years, 5 years and 10 years. New step proposals will have step increases at 1, 2, 3, 4, 5, 6, 9, 12, 15, 21, and a proposed 27 year step in 1990. The difference between each step is 5%.

Rep. Burns questioned the health insurance increase. Rep. Robinson explained that the rates are based on the group experience. Rep. Burnes asked if employees are required to have a physical upon hiring. R. Roulx responded that the county does require employees to have a physical. Rep. Burn asked what the total county budget is. Rep. Robinson responded the F/Y 89 budget is \$36,688,848. Rep. Burns asked if there was anything included in the current budget for salary increases. Rep. Robinson explained that the people in the bargaining unit, were left at last year's level because we didn't know what the wage increase was going to be.

Rep. Domaingue questioned the seniority pay increases. Rep. Robinson explained that this contract is based on the Yarger Report. It looks at labor grades for a position, graded the position according to the difficulty of the job, in other words, where it should be competitively within the marketplace. In addition to that, the proposal agreed to by the union and the commissioner has seniority for a step system based on the number of years the employee has worked for the county. They get their labor grade and their step based on seniority. For example, if an employee worked for the county for five years, and they have a new labor grade, say 16, they move into the 5th step. Comm. Marcoux explained that is why the overall increases are so high. You have nurses who have worked there two years and nurses who have worked there twelve years and they are being paid the same. They have never been given any recognition for their years of service. That is what we are trying to remedy with this contract so that from now on everybody will be on par. Rep. Domaingue said that she appreciated that but we are playing catch up all at once.

Rep. Lown asked to hear from the two people who voted against it. Rep. Robinson explained that she voted against the contract because it is a lot of money all at once. I understand the reasoning behind it, but I thought it was a bit much all in one year. Rep. Cowenhoven explained he voted against it because he represents the towns. Our taxes have gone up from \$595,000 to \$965,000 this year. That's a 62% increase over 4 years. This year as you know, DRA made a mistake on the calculation of the county tax apportionment so Amherst actually paid only \$702,000. We should have paid \$811,000. Next year we are looking at an increase from \$702,000 to \$892,000 plus \$72,000 voted tonight brings it to \$965,851, approximately a 38% increase. That is an awful lot to ask the towns to pay. That's too much too soon. They deserve it but somewhere down the line we are going to get a voter rebellion.

Rep. Stiles questioned the salary increase for a nurse who has been employed with the county for 12 years. Rep. Robinson responded that would be a grade 18, step 12, is \$14.72 per hour or \$30,617 per year for a 40 hour week, that is without a shift differential. Comm. Marcoux said that this pay grade brings us on par with hospitals in the area, so we are competitive. Right now we are paying \$3 - \$4 less per hour than others in the area so how can we hire nurses. They could also go to work for a nursing pool for \$25 per hour.

Rep. Kurk asked if there were some way we can phase this in so that it will take place over a number of years so that the burden that Rep. Cowenhoven was talking about would not be imposed on the cities and towns in a single year. Rep. Robinson said that in her opinion, the only way to do this would be to vote down the proposal and recommend the commissioners go back to the bargaining table.

Rep. Buckley asked Rep. Robinson how much money was spent on outside services. Rep. Robinson said \$500,000 is budgeted this year. Rep. Buckley said the county pays nurses so low, we have to staff the nursing home from agency pools. They have no history of working with our home, working next to our county employees who have been working there 25 years making \$3 - \$5 dollars less per hour. This illusion we are creating here that we are blowing all this money when we are spending \$500,000 on outside nurses because we have to have these people cared for in our nursing home. It is time we start giving our employees the respect they deserve. The amount we have paid them over the past 15 years, if we give them 5 weeks vacation after 15 years as an incentive, a thank-you for them to work all those years for that amount of wage, they deserve more than an extra week of vacation.

Rep. Green said the reason to vote for this motion is that three agency's staff have always been grossly underpaid, we have people leaving and difficulty replacing them. We have people who are forced to work above and beyond the eight hour day constantly, this means additional stress, overtime pay, more sick leave. If only to preserve the health of our workforce and rebuild our workforce in these critical agencies, we have to pass the motion on the floor.

Rep. Fields said that sometimes you have to bite the bullet. He doesn't like higher taxes but he is going to vote for it. I don't think I could do the work that they do for the pay they get. It is time we did something nice for them. I don't see how you can phase the raises in.

Rep. Sullivan said that we should vote for this bill because it is better than hiring all these nurses from the pool. Our nurses really deserve it.

Rep. Kurk asked if this passes, we will no longer be using the pools and if we do use the pool workers, there will be no differential in pay? We would only use pool workers until we have filled the positions with county employees? E. Mercier, Director of Nursing Services responded that we have 24 licensed nurse vacancies, this year she anticipate spending \$678,000 for agency nurses. If you pass this, we will still have to use some outside help. Rep. Kurk said that

the problem we are faced with now, will not disappear. It will be smaller but it will not disappear. E. Mercier said that is correct.

Rep. Kelly said she had mixed emotions about voting for such a large increase but she will support it because our employees deserve it.

The question was moved and seconded. Motion passed. Rep. Cowenhoven asked for a roll call vote on the motion. Rep. Robinson re-read the motion and called the roll. The motion passed 45 to 23.

Yeas

Rep. H. Humphrey, Rep. E. Moore, Rep. R. Gage, Rep. D. Kelly, Rep. R. Grip, Rep. P. Drolet, Rep. E. Wheeler, Rep. D. Bowers, Rep. F. Ahrens, Rep. D. Fields, Rep. R. Kelley, Rep. R. Daigle, Rep. N. Ford, Rep. L. Guilbert, Rep. L. Long, Rep. F. Donovan, Rep. C. Jacobson, Rep. G. Gagnon, Rep. R. Lefebvre, Rep. M. McGlynn, Rep. A. Gureckis, Rep. R. Morrisette, Rep. E. Keefe, Rep. B. McCann, Rep. L. Steiner, Rep. R. Ahern, Rep. A. Bourque, Rep. J. O'Rourke, Rep. S. Green, Rep. C. Keane, Rep. T. Pappas, Rep. D. Healy, Rep. L. Soucy, Rep. M. Sullivan, Rep. R. Murphy, Rep. P. Dwyer, Rep. F. Genest, Rep. R. Buckley, Rep. P. Burkush, Rep. W. Dion, Rep. I. Messier, Rep. F. Reidy, Rep. R. Paquette, Rep. R. Turgeon, Rep. M. Routhier.

Nays

Rep. N. Kurk, Rep. C. Bass, Rep. H. Mason, Rep. G. Cowenhoven, Rep. C. Holden, Rep. E. Lown, Rep. N. Tarpley, Rep. L. Perham, Rep. B. Prestipino, Rep. K. Wheeler, Rep. A. Burns, Rep. M. Shriver, Rep. E. Robinson, Rep. G. Granger, Rep. G. Cox, Rep. E. Ware, Rep. S. Vanderlosk, Rep. W. Stiles, Rep. R. Beaupre, Rep. J. Domaingue, Rep. W. Desrosiers, Rep. J. Pariseau, Rep. G. Desrochers.

On behalf of the Executive Committee and the Delegation, Rep. Buckley presented a plaque to Rep. Maurice J. Levesque in recognition of his many years of service as a state representative 1975-1988, member of the Hillsborough County Executive Committee 1983-1988 and Chairman of the Hillsborough County Legislative Delegation 1985-1988. The Delegation gave him a standing ovation. Rep. Levesque thanked everyone that has helped him, he has had a terrific two years.

Rep. Donovan asked the commissioners what effect this contract will have on the non-union employees. Comm. Marcoux said they will be getting what they are paid now.

Motion by Rep. Dion, second by Rep. Mason to adjourn. Motion passed unanimously on a voice vote.

The meeting adjourned at 8:15 p.m.

Rep. Ellen-Ann Robinson, Clerk
Hillsborough County Legislative Delegation

HILLSBOROUGH COUNTY LEGISLATIVE DELEGATION

Manchester Courthouse

December 14, 1988

MINUTES

Present: David Hultgren, Ervin Lachut, Larry Elliott, Neal Kurk, Roland Sallada, Elizabeth Moore, Lawrence Emerton, Bruce Hunter, Alice Tirrell Knight, Daniel McNerney, Karen McRae, Eleanor Amidon, Merton Dyer, Robert Grip, Paul Drolet, Howard Mason, Garret Cowenhoven, Elizabeth Lown, Vivian Barry, Lester Perham, Bartolo Prestipino, David Wheeler, Maurice Goulet, John Klose, Barbara Upton, Ellen-Ann Robinson, Frederick Ahrens, Emma Dodge, Dennis Fields, Nancy Frank, Guy Granger, Robert Kelley, Ellen Dube, Bonnie Packard, Betty Hall, David Alukonis, Shawn Jasper, G. Philip Rodgers, Stanley Searles, Patrick Culbert, Norman Lawrence, Leonard Smith, Barbara Baldizar, Robert Bicknell, Paul Tyree, Alice Record, Stanley Vanderlosk, Nancy Ford, Lionel Guilbert, Susan Harlan, Linda Long, Donnalee Lozeau, Francis Donovan, Daniel Toomey, Romeo Jean, James McDowell, Adam Gureckis, Roland Morrisette, Ronald Sage, Bonnie Lou McCann, Debora Pignatelli, Theresa Drabinowicz, Carolyn Brady, Lee Anne Steiner, Linda Wihby, Christine Biondi, Catherine Schneiderat, Walter Stiles, Ann Bourque Theodora Nardi, Joanne O'Rourke, Scott Green, Lionel Johnson, Toni Pappas, Leo Pepino, William Barry, Daniel Healy, Herbert Foote, Lillian Soucy, Robert Murphy, Patricia Dwyer, Fernand Genest, Gilles Provost, Roland Beaupre, Jacquelyn Domaingue, John King, Janet Barry, Peter Burkush, William Desrosiers, Frances Riley, Mary Jenkins, Frank Reidy, Irene Messier, Rachel Racicot, Roland Turgeon, Gerard Desrochers, Gloria Kress, Lillian Rheault and Robert Ouellette. Also present were Joyce Johnson and Richard Roulx.

The meeting was called to order at 7:30 p.m. by the 1987-88 Delegation Clerk, Rep. Ellen-Ann Robinson. Rep. Robinson asked Rep. Howard Mason to lead the Pledge to the Flag.

1. Election of Temporary Chairman

Rep. Robinson said the first order of business was to elect a temporary Chairman to conduct the meeting until a new Delegation Chairman is elected. A motion was made and seconded to nominate Rep. Ellen-Ann Robinson as acting Delegation Chairman. There being no further nominations, it was moved and seconded to close nominations. On a voice vote, the motion passed unanimously.

2. Roll Call

Rep. Robinson asked Joyce Johnson, as acting temporary clerk to call the roll for purposes of attendance. Following the roll call, Rep. Robinson declared a quorum present with 99 representatives in attendance.

3. Election of the Executive Committee

Rep. Robinson stated the next order of business was to elect an Executive Committee. Rep. Robinson recognized Rep. Barbara Baldizar, Chairman of the Nashua Delegation to present the slate of nominees from Nashua for the Executive Committee. Rep. Baldizar moved to nominate Rep. Lionel Guilbert, Rep. Bonnie Lou McCann, Rep. Gabrielle Gagnon, Rep. Frank Donovan and Rep. Roland Morrisette.

Rep. Robinson recognized Rep. Elizabeth Lown of Amherst to present the slate of nominees from the Towns for the Executive Committee. Rep. Lown moved to nominate Rep. Fred Ahrens, Rep. Garret Cowenhoven, Rep. Howard Mason, Rep. Karen McRae, Rep. Elizabeth Moore, Rep. Ellen-Ann Robinson, Rep. Bonnie Packard, Rep. Neal Kurk, and Rep. Robert Kelley.

Rep. Robinson recognized Rep. Lee Anne Steiner, Chairman of the Manchester Delegation to present the slate of nominees from Manchester for the Executive Committee. Rep. Steiner moved to nominate Rep. Jacqueline Domaingue, Rep. Scott Green, Rep. Irene Messier, Rep. Frank Reidy, Rep. Robert Murphy, Rep. Toni Pappas and Rep. Roland Turgeon.

Rep. Robinson asked for nominations from the floor. There being no further nominations, it was moved and seconded to cast one ballot for the slate. On a voice vote, the motion passed unanimously.

4. Election of Delegation Officers

Rep. Robinson stated the next order of business is to elect officers of the Delegation. Rep. Robinson recognized Rep. Steiner. Rep. Steiner moved to elect Rep. Toni Pappas from Manchester as Chairman of the Delegation. Second by Rep. Scott Green. Rep. Robinson asked for further nominations. There being no further nominations, it was moved and seconded that the acting clerk cast one ballot for Rep. Pappas. On a voice vote, the motion passed unanimously.

Rep. Robinson turned the meeting over to Rep. Pappas. Rep. Pappas thanked the Delegation for their support.

Rep. Pappas recognized Rep. Cowenhoven. Rep. Cowenhoven moved to elect Rep. Robinson from the Towns as Vice Chairman of the Delegation. Second by Rep. Lown. Rep. Pappas asked for further nominations. There being no further nominations, it was moved and seconded that the acting clerk cast one ballot for Rep. Robinson. On a voice vote, the motion passed unanimously.

Rep. Pappas recognized Rep. Baldizar. Rep. Baldizar moved to elect Rep. Lionel Guilbert from Nashua as the Clerk of Delegation. Second by Rep. Donovan. Rep. Pappas asked for further nominations. There being none, it was moved and seconded that the acting clerk cast one ballot for Rep. Guilbert. On a voice vote, the motion passed unanimously.

5. **Other Business**

Rep. Robinson announced that our Coordinator of the County Delegation, Joyce Johnson has submitted her resignation and accepted a position as the Town Administrator of Northfield, New Hampshire. Rep. Robinson thanked Joyce for her efforts over the last four years and appreciated the terrific job she has done for the county.

Rep. Pappas stated that the Executive Committee will be meeting within the next week or two and will report back to the Delegation on a periodic basis. She encouraged them to contact her or any member of the Executive Committee if there are concerns or questions.

There being no further business, it was moved and seconded to adjourn. Vote unanimous. The meeting adjourned at 8:00 p.m.

Rep. Lionel Guilbert, Clerk
Hillsborough County Legislative Delegation

**COUNTY OF HILLSBOROUGH,
NEW HAMPSHIRE
General Purpose Financial Statements
As of June 30, 1988
Together with Auditors' Report
Including Single Audit Act**

**COUNTY OF HILLSBOROUGH,
NEW HAMPSHIRE
General Purpose Financial Statements
As of June 30, 1988
Together with Auditors' Report
Including Single Audit Act**

**COUNTY OF HILLSBOROUGH, NEW HAMPSHIRE
Table of Contents
June 30, 1988**

	Exhibit	Page No.
General Purpose Financial Statements:		
Independent Auditors' Report		1
Combined Balance Sheet - All Fund Types and Account Groups	1	2
Combined Statement of Revenues, Expenditures and Changes in Fund Balance - All Government Fund Types	2	4
Combined Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - General and Special Revenue Fund Types	3	5
Statement of Revenues, Expenses and Changes in Retained Earnings - Proprietary Fund Type	4	7
Statement of Changes in Financial Position - Proprietary Fund Type	5	8
Notes to Financial Statements		9
Federal Financial Assistance Schedule		
Auditors' Report on Federal Financial Assistance Schedule		19
Schedule of Federal Financial Assistance		20
Notes to Schedule of Federal Financial Assistance		22
Auditors' Report on Compliance with Laws and Regulations - Relating to Major and Non-Major Federal Financial Assistance Programs		24

Internal Controls (Accounting and Administrative) Report

Report on Internal Controls (Accounting and Administrative)	
- Based on Internal Controls (Accounting Made as Part of an Examination of the General Purpose or Basis Financial Statements and the Additional Tests Required by the Single Audit Act).	27
Status of Prior Years Findings/Non-Compliance	30
Status of Current Years Findings/Non-Compliance	32

Board of County Commissioners
County of Hillsborough
County Administration Building
300 Chestnut Street
Manchester, NH 03101

Gentlemen:

We have audited the general purpose financial statements of the County of Hillsborough, New Hampshire as of the year ended June 30, 1988, as listed in the Table of Contents. These financial statements are the responsibility of the County's Management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the County of Hillsborough, New Hampshire, as of June 30, 1988, and the results of operations and the changes in cash flow of its proprietary fund type (Nursing Home) for the year then ended in conformity with the generally accepted accounting principles.

David L. Connors & Co., P.C.

February 16, 1988

Exhibit 1

COUNTY OF HILLSBOROUGH, NEW HAMPSHIRE COMBINED BALANCE SHEET — ALL FUND TYPES AND ACCOUNT GROUPS JUNE 30, 1988

ASSETS

Cash	\$ 2,628,972	\$0	\$0	\$0	\$ 200,802	\$0	\$0	\$ 2,829,774
Temporary investments	0	0	16,694,430	0	0	0	0	16,694,430
Accounts receivable	51,680	0	0	496,408	0	0	0	548,088
Due from other funds	0	168,876	490,386	0	74,846	0	0	734,108
Due from other governments	0	4,989	0	0	0	0	0	4,989
Inventory of supplies, at cost	0	0	0	55,139	0	0	0	55,139
Property, plant and equipment (net)	0	0	0	3,807,752	0	6,443,237	0	10,250,989
Long-Term Receivable - Moore Building	150,888	0	0	0	0	0	0	150,888
Amount to be provided for retirement of long term debt	0	0	0	0	0	0	20,585,000	20,585,000
Amount to be provided for employee compensated absences	0	0	0	0	0	0	37,000	37,000
Total Assets	<u>\$ 2,831,540</u>	<u>\$ 173,865</u>	<u>\$17,184,816</u>	<u>\$ 4,359,299</u>	<u>\$ 275,648</u>	<u>\$ 6,443,237</u>	<u>\$20,622,000</u>	<u>\$51,890,405</u>

LIABILITIES AND FUND EQUITY

Liabilities:

Accounts payable	\$ 2,733,306	\$0	\$0	\$ 77,316	\$0	\$0	\$ 2,810,622
Accrued expenses	0	0	0	162,346	0	0	199,346
Due to other funds	199,191	0	0	534,917	0	0	734,108
Due to specific individuals	0	0	0	0	275,648	0	275,648
Bonds payable	0	0	0	1,680,000	0	0	22,265,000
Total Liabilities	\$ 2,932,497	\$0	\$0	\$ 2,454,579	\$ 275,648	\$0	\$26,284,724

Fund Equity:

Contributed Capital:							
County and Federal	0	0	0	564,929	0	0	564,929
Investment-general fixed assets	0	0	0	0	0	6,443,237	6,443,237
Retained earnings:							
Unreserved	0	0	0	1,339,791	0	0	1,339,791
Fund Balance:							
Reserved for Moore Building -							
Receivable	150,888	0	0	0	0	0	150,888
Designated - specific projects	903,003	173,865	17,184,816	0	0	0	18,261,684
Undesignated (deficit)	(1,154,848)	0	0	0	0	0	(1,154,848)
Total Fund Equity	\$ (100,957)	\$ 173,865	\$17,184,816	\$ 1,904,720	\$0	\$6,443,237	\$25,605,681
Total Liabilities and Fund Equity	\$ 2,831,540	\$ 173,865	\$17,184,816	\$ 4,359,299	\$ 275,648	\$ 6,443,237	\$51,890,405

The accompanying notes are an integral part of these statements.

Exhibit 2

COUNTY OF HILLSBOROUGH, NEW HAMPSHIRE COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE ALL FUND TYPES AND ACCOUNT GROUPS FOR THE YEAR ENDED JUNE 30, 1988

	Governmental Fund Types			Capital Projects	Total (Memorandum Only)
	General Fund	Special Revenue			
REVENUES					
Taxes	\$20,101,407	\$0		\$0	\$20,101,407
Fees	650,897	0		0	650,897
County farms	2,158,391	0		0	2,158,391
Intergovernmental	1,789	679,329		0	681,118
Miscellaneous	632,801	2,750		1,332,430	1,967,981
Total Revenues	<u>\$23,545,285</u>	<u>\$ 682,079</u>		<u>\$ 1,332,430</u>	<u>\$25,559,794</u>
EXPENDITURES					
Current:					
General government	\$ 2,535,100	\$ 36,108		\$0	\$ 2,571,208
Public safety	5,918,511	182,613		0	6,101,124
Human Services	10,369,211	763,827		0	11,133,038
Capital outlay	347,933	200,546		4,921,408	5,469,887
Debt service:					
Interest	1,556,541	0		0	1,556,541
Principal	1,585,000	0		0	1,585,000
Total Expenditures	<u>\$22,312,296</u>	<u>\$ 1,183,094</u>		<u>\$ 4,921,408</u>	<u>\$28,416,798</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 1,232,989</u>	<u>\$ (501,015)</u>		<u>\$ (3,588,978)</u>	<u>\$(2,857,004)</u>

OTHER SOURCES (USES)

Operating transfers in
Operating transfers out

	\$0	\$ 350,880	\$0
	(2,401,387)	0	0
	<u>\$(2,401,387)</u>	<u>\$ 350,880</u>	<u>\$0</u>

Total Other Sources (Uses)

**Excess (Deficiency) of Revenues and
Other Sources Over Expenditures
and Other Uses**

	\$ (1,168,398)	\$ (150,135)	\$ (3,588,978)
Fund Balance, Beginning	13,550	324,000	20,773,794
	<u>\$(1,154,848)</u>	<u>\$ 173,865</u>	<u>\$17,184,816</u>

Fund Balance, End of Year

	\$ (4,907,511)	\$ (4,907,511)
	21,111,344	21,111,344
	<u>\$16,203,833</u>	<u>\$16,203,833</u>

The accompanying notes are an integral part of this combined balance sheet.

Exhibit 3

COUNTY OF HILLSBOROUGH, NEW HAMPSHIRE COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE BUDGET AND ACTUAL - GENERAL AND SPECIAL REVENUE FUND TYPES FOR THE FISCAL YEAR ENDED JUNE 30, 1988

	General Fund			Special Revenue Funds			Total (Memorandum Only)		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES									
Taxes	\$20,101,407	\$20,101,407	\$0	\$0	\$0	\$0	\$20,101,407	\$20,101,407	\$0
Fees	723,186	650,897	(72,289)	0	0	0	723,186	650,897	(72,289)
Charges for services	2,359,672	2,158,391	(201,281)	0	0	0	2,359,672	2,158,391	(201,281)
Intergovernmental	0	1,789	1,789	197,578	679,329	481,751	197,578	681,118	483,540
Miscellaneous	428,000	632,801	204,801	2,750	2,750	0	430,750	635,551	204,801
Total Revenues	<u>\$23,612,265</u>	<u>\$23,545,285</u>	<u>\$ (66,980)</u>	<u>\$ 200,328</u>	<u>\$ 682,079</u>	<u>\$ 481,751</u>	<u>\$23,812,593</u>	<u>\$24,227,364</u>	<u>\$ 414,771</u>
EXPENDITURES									
Current:									
General government	\$ 3,341,633	\$ 2,535,100	\$ 806,533	\$0	\$ 36,108	\$ (36,108)	\$ 3,341,633	\$ 2,571,208	\$ 770,425
Public safety	5,462,687	5,918,511	(455,824)	0	182,612	(182,612)	5,462,687	6,101,123	(638,436)
Human services	9,962,940	10,369,211	(406,271)	373,502	763,827	(390,325)	10,336,442	11,133,038	(796,596)
Capital outlay	148,378	347,933	(199,555)	197,578	200,546	(2,968)			
Debt service:									
Interest	1,549,682	1,556,541	(6,859)	0	0	0			
Principal	1,585,000	1,585,000	0	0	0	0	1,585,000	1,585,000	0
Total Expenditures	<u>\$22,050,320</u>	<u>\$22,312,296</u>	<u>\$ (261,976)</u>	<u>\$ 571,080</u>	<u>\$ 1,183,093</u>	<u>\$ (612,013)</u>	<u>\$20,725,762</u>	<u>\$21,390,369</u>	<u>\$ (664,607)</u>

Excess (Deficiency) of Revenues Over Expenditures	\$ 1,561,945	\$ 1,232,989	\$ (328,956)	\$ (370,752)	\$ (501,014)	\$ (130,262)	\$ 3,086,831	\$ 2,836,995	\$ (249,836)
OTHER SOURCES (USES)									
Operating transfers - in	\$0	\$0	\$0	\$ 370,752	\$ 350,880	\$ (19,872)	\$ 370,752	\$ 350,880	\$ (19,872)
Operating transfers - out	(1,561,945)	(2,401,387)	(839,442)	0	0	0	(1,561,945)	(2,401,387)	(839,442)
Total Other Sources (Uses)	\$(1,561,945)	\$(2,401,387)	\$ (839,442)	\$ 370,752	\$ 350,880	\$ (19,872)	\$(1,191,193)	\$(2,050,507)	\$ (859,314)
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other (Uses)	\$0	\$(1,168,398)	\$(1,168,398)	\$0	\$ (150,134)	\$ (150,134)	\$0	\$(1,318,532)	\$(1,318,532)
Fund Balance, Beginning of Year	0	13,550	13,550	0	324,000	324,000	0	337,550	337,550
Fund Balance, End of Year	\$0	\$(1,154,848)	\$(1,154,848)	\$0	\$ 173,866	\$ 173,866	\$0	\$ (980,982)	\$ 980,982)

The accompanying notes are an integral part of these statements.

**COUNTY OF HILLSBOROUGH, NEW HAMPSHIRE
STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN RETAINED EARNINGS
PROPRIETARY (ENTERPRISE) FUND —
HILLSBOROUGH COUNTY NURSING HOME
FOR THE YEAR ENDED JUNE 30, 1988**

Operating Revenues		
Charges for services	\$7,010,238	
Miscellaneous	19,893	
Total Operating Revenues		\$7,030,131
Operating Expenses		
Administrative	\$1,005,639	
Maintenance of plant	441,424	
Dietary	982,708	
Nursing services	4,907,674	
Laundry and linen	321,672	
Housekeeping	469,599	
Medical, doctors, pharmacist and clerk	55,875	
Rehabilitation, recreation	281,002	
Social services	80,954	
Barber/Beauty shop	37,523	
Depreciation	290,254	
Total Operating Expenses		<u>\$8,874,324</u>
Operating (Loss)		(1,844,193)
Non-Operating (Expense)		
Interest		<u>\$ (85,680)</u>
(Loss) before operating transfers		(1,929,873)
Operating Transfers In		
Operating subsidy transfer - in		<u>2,050,507</u>
Net Income		\$ 120,634
Retained earnings, beginning of year		\$1,040,797
Prior period adjustment		<u>178,360</u>
Retained Earnings, End of Year		<u><u>\$1,339,791</u></u>

The accompanying notes are an integral part of these statements.

**COUNTY OF HILLSBOROUGH, NEW HAMPSHIRE
STATEMENT OF CHANGES IN FINANCIAL POSITION
PROPRIETARY FUND TYPE
FOR THE YEAR ENDED JUNE 30, 1988**

Sources of Working Capital

Operations:

Net Income	\$ 120,634
Depreciation	290,254

Total from Operations	\$ 410,888
------------------------------	-------------------

Uses of Working Capital

Decrease in general long-term debt payable	420,000
Purchase of building additions and equipment	118,777

Total Uses of Working Capital	(538,777)
--------------------------------------	------------------

(Decrease) in Working Capital	<u>\$(127,889)</u>
--------------------------------------	---------------------------

Analysis of Changes in Working Capital**Increase (Decrease) in Current Assets**

Cash	(\$7,200)
Accounts receivable	(113,121)
Inventories	(8,642)

Net Decrease in Current Assets	\$(128,963)
---------------------------------------	--------------------

Increase (Decrease) in Current Liabilities

Accounts payable	\$ (105,442)
Accrued expenses	(174,939)
Due to other funds	279,307

Net Decrease in Current Liabilities	<u>(1,074)</u>
--	-----------------------

(Decrease) in Working Capital	<u>\$(127,889)</u>
--------------------------------------	---------------------------

The accompanying notes are an integral part of these statements.

**COUNTY OF HILLSBOROUGH, NEW HAMPSHIRE
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 1988**

The accounting method and procedure adopted by the County of Hillsborough, New Hampshire, conform to generally accepted accounting principles as applied to governmental entities. The following notes are an integral part of the County's Comprehensive Annual Financial Report.

1. Summary of Significant Accounting Policies

A. Reporting Entity —

The County of Hillsborough operates under an elected Council (County Delegation and Commissioners) form of government. The County's major operation include health services, public safety, and general administrative services. This reporting entity includes all the administrative units of the County of Hillsborough, House of Corrections and the Hillsborough County Nursing Home.

B. Basis of Presentation - Fund Accounting —

The accounts of the County of Hillsborough are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. Each fund is accounted for by a separate set of self balancing accounts that comprise its assets, liabilities fund balance, revenues and expenditure expenses. The individual funds account for the governmental resources allocated to them for the purpose of carrying on specific activities in accordance with laws, regulations or other restrictions. The funds are grouped into three fund types and eight generic funds as described below.

GOVERNMENTAL FUNDS

These are the funds through which most governmental functions typically are financed. The funds included in this category are as follows:

General Fund - This fund is established to account for resources devoted to financing the general services that the County performs for its citizens. General tax revenues and other sources of revenue used to finance the fundamental operations of the County are included in the fund. The fund is charged with all cost of operating the government for which a separate fund has not been established.

Special Revenue Funds - These funds are established to account for the proceeds of specific revenue sources other than expendable trusts, or major capital projects that are legally restricted to expenditures for special purposes.

PROPRIETARY FUNDS

These funds account for operations that are organized to be self-supporting through user charges. The funds included in this category are the Enterprise Funds.

Enterprise Funds - These funds are established to account for operations that are financed and operated in a manner similar to private business enterprises, where the intent is that costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges.

FIDUCIARY FUNDS

These funds account for assets held by the County as a trustee or agent for individuals, private organizations, and other units of governments.

General Fixed Assets Account Group - This is not a fund but rather an account group that is used to account for general fixed assets acquired principally for general purposes and excludes fixed assets in the Enterprise Funds.

General Long-Term Debt Account Group - This is not a fund but rather an account group that is used to account for the outstanding principal balances of general obligation bonds and other long-term debt not reported in proprietary funds.

C. Basis of Accounting

Governmental funds, Expendable Trust Funds, and Agency Funds utilize the modified accrual basis of accounting. Under this method, revenues are recognized in the accounting period in which they become both available and measurable. Licenses and permits, charges for services, fines and forfeits, and miscellaneous revenues are recorded as revenues when received in cash. General property taxes, self-assessed taxes, and investment earnings are recorded when earned (when they are measurable and available). Expenditures are recognized in the accounting period in which the fund liability is incurred, if measurable, except expenditures for debt service, prepaid expenses, and other long-term obligations which are recognized when paid.

All proprietary funds are accounted for using the accrual basis of accounting. Their revenues are recognized when they are incurred.

Agency Fund assets and liabilities are accounted for on the modified accrual basis.

D. Budgetary Data

Formal budgetary accounting is employed as a management control for all funds of the County. Annual operating budgets are adopted each fiscal year through passage of an annual budget and amended as required. Special Revenues Funds and proprietary funds, and the same basis of accounting is used to reflect actual revenues and expenditures/expenses recognized on a generally accepted accounting principles basis. Budgets for certain Special Revenue Funds and Capital Projects Funds are made on a project basis spanning more than one fiscal year. Budgetary control is exercised at the departmental level or by projects.

All unencumbered budget appropriations, except special project budgets, lapse at the end of each fiscal year.

Cash - The County pools cash resources of its various funds in order to facilitate the management of cash. Cash in excess of current requirements is invested in various interest-bearing securities and disclosed as part of the County's investments.

Receivables - All receivables are reported at their gross value and where appropriate, are reduced by the estimated portion that is expected to be uncollectable.

Investments - Capital projects funds restricted temporary investments total \$16,696,430 are to be used for the construction of the new Valley Street Jail. The temporary investments are recorded at cost, which approximates market value.

Due From Other Funds

As of June 30, 1988 interfund receivables and payables that resulted from various interfund transactions were as follows:

	Due From Other Funds	Due to Other Funds
General Fund	\$ -	\$ 199,991
Special Revenue Fund	168,876	0
Capital Project Fund	490,386	0
Enterprise Fund:		
Hillsborough County Nursing Home	0	534,917
Agency Funds	74,846	0
Totals	<u>\$ 734,108</u>	<u>\$ 734,108</u>

Inventories - The purchase method is used to account for inventories. Under the purchase method, inventories are recorded as expenditures when purchased; however, material amounts of inventories are reported as assets at year end.

Inventories of proprietary funds are valued at the lower of cost (first-in, first-out) or market.

Property, plant, and equipment - Fixed assets used in governmental fund type operations are accounted for in the General Fixed Assets Account Group. Public domain (infrastructure) general fixed assets consisting of certain improvements other than buildings, such as roads, sidewalks, and bridges, are not capitalized. Property, plant, and equipment acquired or constructed for general governmental operations are recorded as expenditures in the fund making the expenditure and capitalized at cost in the General Fixed Asset Account Group.

Property, plant, and equipment acquired for proprietary funds is capitalized in the respective funds to which it applies.

Property, plant, and equipment is stated at cost. Where cost could not be determined from the available records, estimated historical cost was used to record the estimated value of the assets. Assets acquired by gift or bequest are recorded at their fair market value at the date of transfer.

Depreciation of exhaustible fixed assets used by proprietary funds is charged as an expense against operations, and accumulated depreciation is reported on the proprietary funds' balance sheets. Depreciation has been provided over the estimated useful lives using the straight-line method of depreciation.

2. Property, Plant and Equipment

Activity for general fixed assets which are capitalized by the County are summarized below:

	Balance Beginning of Year	Additions	Retire- ments	Balance End of Year
Buildings and improvements	\$4,592,710	\$ 58,842	\$ 1,137	\$4,650,415
Land improvements	80,598	0	0	80,598
Furniture and equipment	1,530,988	172,118	32,100	1,671,006
Vehicles	49,114	0	7,896	41,218
Totals	<u>\$6,253,410</u>	<u>\$ 230,960</u>	<u>\$ 41,133</u>	<u>\$6,443,237</u>

The following is a summary of Enterprise Fund property, plant and equipment:

	Cost	Accumulated Depreciation	Net Depreciated Value
Buildings	\$2,328,107	\$ 669,331	\$1,658,776
Sewage Plant	32,900	32,900	0
Building improvements	3,126,601	1,521,561	1,605,040
Land improvements	508,359	361,081	147,278
Furniture and equipment	1,143,919	776,017	367,902
Vehicles	101,170	72,434	28,736
Totals	<u>\$7,241,056</u>	<u>\$3,433,324</u>	<u>\$3,807,732</u>

3. Construction and Other Significant Commitments

As of June 30, 1988, the County had the following commitments with respect to unfinished capital projects:

Capital - Project	Remaining Construction Commitment	Expected Date of Completion
House of Corrections (Valley St., Manchester, NH)	<u>\$22,000,000</u>	1990

The County is in the process of building a new County Jail and House of Correction. The project is being financed by the proceeds of a \$22 million bond issue (See Note 11)

Correctional Facility Project - The County has committed \$23,351,000 to the new Correctional Facility Project. The Commissioners were only authorized to commit 22 million dollars to the project. Therefore, the Commissioners have exceeded their authority. Much of their over run can be absolved by interest earned on the invested funds of the project. However; authorization to use \$1,500,000 of these funds for their purpose was subsequently obtained from the Executive committee and the County Delegation on April 27, 1989.

Long Term Debt - Long-term obligations of the County are reported in the General Long-Term Debt Account Group. Long-term liabilities for certain general obligation bonds are reported in the appropriate Enterprise Fund.

4. Long-Term Debt

The following is a summary of the County's long-term debt transactions for the year ended, June 30, 1988:

	General Fund		Enterprise Fund
	Court House Building	New Jail Facility	(Nursing Home)
Debt Outstanding			
July 1, 1987	\$170,000	\$22,000,000	\$2,100,000
Retirement and Repayments	<u>85,000</u>	<u>1,500,000</u>	<u>420,000</u>
Debt Outstanding			
June 30, 1989	<u>\$ 85,000</u>	<u>\$20,500,000</u>	<u>\$1,680,000</u>

Debt outstanding as of June 30, 1988 consisted of the following:

Court House Bonds	\$ 85,000
New Jail Facility	<u>20,500,000</u>
	<u>\$20,585,000</u>
Nursing Home Bonds	<u>\$ 1,680,000</u>

Presented below is a summary of debt service requirements for maturity by years:

Year	General Fund		Enterprise Fund
	Court House Building	New Jail Facility	Nursing Home
1989	\$86,828	\$ 2,768,200	\$ 490,560
1990	-	2,672,200	470,400
1991	-	2,567,200	440,260
1992	-	2,480,200	430,080
1993	-	2,384,200	-
1994 - 2008	-	16,711,500	-
	<u>\$86,828</u>	<u>\$29,592,500</u>	<u>\$1,831,300</u>

5. Pension Costs

Plan Description - The County provides for pension benefits to substantially all employees through a contributory retirement system under New Hampshire law. The law prescribes the formula for computing retirement allowances and presently does not permit advance funding of pension liabilities. Retirement allowances are paid by County funding and employee contributions, based on age and date of entry. Employee contributions constitute an annuity savings fund from which a portion of the retirement allowances are paid. Pension expense for the fiscal year ended June 30, 1988, totaled \$196,036 determined on an actuarial basis. Hillsborough County's portion of the unfunded accrued liability, and the excess of vested benefits over plan assets at the actuarial valuation date, is not available for inclusion in this report. Such amount, however, does not represent current demand upon the county's resources as such vested benefits in the long-term course of the plan operation are anticipated to be disbursed over future years as retirement benefits to members. The value of vested benefits as retirement benefits to members. The value of vested benefits of the employees has not been determined.

6. Fund Equity

The unreserved fund balances for governmental funds represent the amount available for budgeting future operations. The reserved fund balances for governmental funds represent the amount that has been legally identified for specific purposes. Unreserved retained earnings for proprietary funds represent the net assets available for future operations or distribution.

Reservations of fund balances of governmental funds are created to either (1) satisfy legal covenants that require that a portion of the fund balance be segregated or (2) identify the portion of the fund balance that is not appropriable for future expenditures. Specific reservations of the fund balance accounts are summarized below.

Designated - specific proposals:

Special Revenue Fund - Amounts designated for the fund represent amounts expended by the County for certain human service programs which the County has assumed. The greatest portion of the balance represents amounts due from the General Fund for expenditures on these programs.

Capital Projects Fund - The amount designated for this fund is reserved for the construction of the new House of Correction facility. Reservations of retained earnings of Enterprise Funds are created by increases in assets restricted for debt service. These increases result from earnings on restricted assets and other interfund transfers to restricted accounts. Earnings on restricted assets are included in net income of the Enterprise Funds. When reserved retained earnings are increased there is an equal reduction to the portion of retained earnings that is unreserved. There were no specific reservation of retained earnings for the year ended June 30, 1988.

7. Revenues and Expenditures/Expenses

Revenues for governmental funds are recorded when they are determined to be both measurable and available. Generally, tax revenues, fees, and non-tax revenues are recognized when received. Expenditures for governmental funds are recorded when the related liability is incurred.

Revenues and expenses of proprietary funds are recognized in essentially the same manner as in commercial accounting.

8. Property Tax Revenues

Property tax revenues are collected by the towns and cities in the county district and are turned over to the county on an annual basis.

9. Vacation, Sick Leave, and Other Compensated Absences

County employees are entitled to certain compensated absences based on their length of employment.

10. Total Columns

The Combined Financial Statements include a total column that is described as memorandum only. Data in these columns do not present financial position, results of operations, or changes in financial position in conformity with generally accepted accounting principles. Interfund transactions have not been eliminated from the total column of each financial statement.

11. Related-Party Transactions

Services Rendered - Related Entity - Under the laws of the State of New Hampshire, the County of Hillsborough has entered into a contract with the Governor's office to provide certain employment skills to residents of

the County through the Job Training Partnership Act. Monies received from the U.S. Department of Labor for these services is held by the Governor. The provider of these job training services is known as the New Hampshire Job Training, Coordination Council. The entity serving Hillsborough County is called the Hillsborough County Private Industry Council, Inc. As these funds are handled directly by the Governor's office and not the County, the Hillsborough County Private Industry Council, Inc. is considered a sub-recipient of the State of New Hampshire. Therefore, Council as sub-recipient is audited by the State of New Hampshire and its auditors, as is provided by the requirements of the 1984 Single Audit Act. As a result, Hillsborough County has no obligation to perform additional auditing procedures, thereby avoiding any duplication of effort, also as provided by the Single Audit Act.

12. Summary Disclosure of Significant Contingencies

Medical Billing - On November 3, 1987 the County and the State of New Hampshire reached a settlement on the unresolved medical billing issues which arose between 1980 and 1985. The agreed settlement amounted to \$1,325,000. The County needed only \$28,964 additional in taxpayer's money in order to meet this obligation.

13. Significant Effects of Subsequent Events

There are numerous lawsuits filed against the County. These suits have been referred to the County's insurance carriers. County counsel is confident that all losses are covered should the plaintiffs prevail against the County.

The County is party to a lawsuit by the facts that a certain County employee was denied coverage by the County's insurance carrier. Under state law RSA29-A, the County is required to defer and indemnify County employees who are sued for acts or omissions allegedly occurring in the course of their County employment. The outcome of the litigation is uncertain at this time. However, Counsel is of the opinion that should the case be decided against the County, the amount of the settlement would not be significant.

14. Compensated Absences

The General Fund does not accrue accumulated unpaid sick leave because the County plans to pay these costs from future resources. Accordingly, the accrued sick pay at June 30, 1988, for the General Fund was added to the General Long-Term Debt account group in accordance with National Council on Governmental Accounting (NCGA) Statement 4, "Accounting and Financial Reporting Principles for Claims and Judgments and Compensated Absences".

The Enterprise Fund, in accordance with NCGA Statement 4, accrued unpaid sick leave at June 30, 1988.

The County accrues sick leave based on the anniversary date of the employee. Any unused vacation pay is forfeited at the employee's anniversary date.

The County accrues sick leave at the rate of one and one third ($1\frac{1}{3}$) days per month per employee. All unused sick leave incurred and unused at December 31, of each year is paid in January of the following calendar year.

Summarized below are the accrued sick leave liabilities at June 30, 1988:

	Sick Leave
General long-term debt account group for General Fund	\$ 37,000
Proprietary (Enterprise) Fund - Hillsborough County Nursing Home	65,289
Totals	<u><u>\$102,289</u></u>

15. Sale of Moore Building

On November 1, 1985 the County of Hillsborough transferred its ownership title on the Moore Building (old nursing home) to the Town of Goffstown. The selling price for the building was \$188,610. The payments to the County will be made over a period of ten years commencing in 1987. Payments are made once a year and the last payment will be made during the fiscal year ended June 30, 1996.

16. Sale of Courthouse

The County has entered in an agreement to sell the Manchester Superior Court House property. The State of New Hampshire appropriated 4.6 million dollars for the purpose.

17. The Deficit

The County's financial operations resulted in a deficit. This deficit represents 3.8% of the total fiscal year budget.

There is \$700,000 of appropriations budgeted in fiscal year 1989, excess Nursing Home revenue of \$479,000 and interest income of \$100,000 anticipated by County management in fiscal year 1989.

Board of Commissioners
County of Hillsborough, New Hampshire

We have audited the general purpose financial statements of the County of Hillsborough, New Hampshire, for the year ended June 30, 1988, and have issued our report thereon dated February 16, 1989. Our audit of such general purpose financial statements was made in accordance with generally accepted auditing standards and the standards for financial and compliance audits contained in the **Standards for Audit of Governmental Organizations, Programs, Activities, and Functions**, issued by the U.S. General Accounting Office, and accordingly, included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

Our audit was made for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The accompanying Schedule of Federal Financial Assistance is presented for purposes of additional analysis and is not a required part of the general purpose financial statements. The information in that schedule has been subjected to the auditing procedures applied in the examination of the general purpose financial statements and, in our opinion, is fairly stated in all material respects in relation to the general purpose financial statements taken as a whole.

David L. Connors & Co., P.C.

February 16 1989

**COUNTY OF HILLSBOROUGH, NEW HAMPSHIRE
SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE
FOR THE YEAR ENDING JUNE 30, 1988**

	Federal CFDA Number	Pass-thru Grants Number	Program or Award Amount	Cash/Accrued or Deferred Revenues at July 1, 1987	Receipts/ Revenue Recognized	Disburse- ments Expenditures	Cash/Accrued or Deferred Revenues at June 30, 1988
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES							
Passed through NH Department of Health and Human Services:							
Medicaid	13.714	2504561470924092	\$0	\$237,143	\$2,825,773	\$2,814,712	\$248,204
TOTAL U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES			\$0	\$237,143	\$2,825,773	\$2,814,712	\$248,204
LAW ENFORCEMENT ASSISTANCE ADMINISTRATION							
Passed through NH Office of the Attorney General:							
Victim/Witness Assistance	16.573	JAA-85-7384-091	\$129,754	\$0	\$116,824	\$116,824	\$0
Fast Track to Prison	16.573	JAA-87-7384-092	101,904	0	48,446	48,446	0
DWI Prosecutor Seminar	20.600	408-885-023	0	0	4,989	4,989	0
TOTAL LAW ENFORCEMENT ASSISTANCE ADMINISTRATION			\$231,658	\$0	\$170,259	\$170,259	\$0

U.S. DEPARTMENT OF TREASURY

Federal Revenue Sharing 21,300

30-1-006-006-3

**TOTAL U.S. DEPARTMENT OF
TREASURY**

**TOTAL FEDERAL FINANCIAL
ASSISTANCE**

<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<u>\$231,658</u>	<u>\$237,143</u>	<u>\$2,996,032</u>	<u>\$2,984,971</u>	<u>\$248,204</u>

COUNTY OF HILLSBOROUGH, NEW HAMPSHIRE

Notes to Schedule of Federal Financial Assistance

June 30, 1988

(1) Scope of Audit

The County of Hillsborough, New Hampshire is a governmental entity established by the laws of the State of New Hampshire.

All operations related to the County's federal grant programs (Medicaid, Federal Revenue Sharing, and Law Enforcement Assistance Administration) are included in the scope of the Circular A-128 Audit Requirements for audits of state and local governments (**The Single Audit Act**). The County of Hillsborough, New Hampshire has as its designated cognizant agency, the U.S. Department of Health and Human Services.

Compliance testing of all general requirements, as described in the Compliance Supplement was performed. Compliance testing of specific requirements was performed for the following grant programs (Designated as "Major" Programs). These represent those with an excess of \$300,000 of fiscal 1988 expenditures.

Grant Description	Fiscal 1988 Expenditures
Medicaid	\$2,814,712
Total	<u>\$2,814,712</u>

(2) Period Audited

Single audit testing procedures were performed for the County federal grant transactions during the fiscal year ended June 30, 1988.

(3) Summary of Significant Accounting Policies

Accounting policies and financial reporting practices permitted for counties in New Hampshire are prescribed by the New Hampshire Department of Revenue Administration. The significant accounting policies followed by the County are as follows:

(a) Basis of Presentation

The accompanying schedule of federal financial assistance includes the federal grant transactions of the County.

The receipts and proceeds from federal grants are recorded on the modified accrual basis, whereby revenue is recognized when it becomes available and measurable. Disbursements of federal grant funds are recorded on the modified accrual basis. But, however, since the nursing home is an Enterprise Fund the Medicaid Funds are handled on the full accrual basis.

(4) Findings of Non-Compliance

The findings of non-compliance identified in connections with the 1988 single audit are disclosed in enclosed separate Schedule of Findings and Questioned Costs. The statement of findings of non-compliance identified in connection with the 1988 single audit are presented in the aforementioned schedule.

Board of County Commissioners
County of Hillsborough, New Hampshire
300 Chestnut Street
Manchester, NH 03101

We have audited the accompanying general purpose financial statements of the County of Hillsborough, New Hampshire for the year ended June 30, 1988, and have issued our report thereon dated February 16, 1989.

We conducted our audit in accordance with generally accepted auditing standards; the standards for financial and compliance audits contained in the **Standards for Audit of Governmental Organizations, Programs, Activities, and Functions**, issued by the U.S. General Accounting Office; the **Single Audit Act of 1984**; and the provisions of OMB Circular A-128, **Audits of State and Local Governments** and, accordingly, included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

The management of the County of Hillsborough, New Hampshire is responsible for the County's compliance with laws and regulations. In connection with the audit referred to above, we selected and tested transactions and records from each major federal financial assistance program. The purpose of our testing of transactions and records from those federal financial assistance programs was to obtain reasonable assurance that the County of Hillsborough, New Hampshire had, in all material respects, administered major programs, and executed the tested non-major programs transactions, in compliance with laws and regulations, including those pertaining to financial reports and claims for advances and reimbursements, non-compliance with which we believe could have a material effect on the allowability of program expenditures.

Our testing of transactions and records selected from non-major federal financial assistance programs disclosed no instances of non-compliance with those laws and regulations, as shown in the accompanying schedule of findings and questioned costs.

In our opinion, for the fiscal year ended June 30, 1988, the County of Hillsborough, New Hampshire, administered each of its major federal financial assistance programs in compliance, in all material respects, with laws and regulations, including those pertaining to financial reports and claims for advances and reimbursements, non-compliance with which we believe could have a material effect on the allowability of program expenditures.

Further, the results of our testing of transactions and records referred to in the second paragraph of this report indicate that for the transactions and records tested, the County of Hillsborough, New Hampshire complied with those laws and regulations for which noncompliance could have a material effect on the allowability of program expenditures or on the County's general purpose financial statements, except as described in the accompanying schedule of findings and questioned costs. These instances of noncom-

pliance were considered by us in evaluating whether the general purpose financial statements are presented fairly, in all material respects, in conformity with generally accepted accounting principles. Our testing was more limited than would be necessary to express an opinion on whether the County of Hillsborough, New Hampshire administered the non-major Federal financial assistance programs in compliance, in all material respects, with those laws and regulations for which we believe noncompliance could have a material effect on the allowability of program expenditures. With respect to the transactions and records that were not tested by us, nothing came to our attention to indicate that the County of Hillsborough, New Hampshire had not complied with laws and regulations other than those laws and regulations for which we noted violations in our testing referred to above.

David L. Connors & Co., P.C.

February 16, 1989

**COUNTY OF HILLSBOROUGH, NEW HAMPSHIRE
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
JUNE 30, 1988**

Program	Finding/ Non-Compliance	Questioned Costs
Department of the Treasury		
Federal Revenue Sharing		
Grant No. 30-1-006-006-3	NONE	NONE
 Department of Health and Human Services		
Medicaid		
Grant No. 02504561470924092	NONE	NONE
 U.S. Department of Justice		
Law Enforcement Assistance Administration		
Victim/Witness Assistance		
Grant No. JAA-85-7384-091	NONE	NONE
 Fast Track to Prison		
Grant No. JAA-85-7384-092	NONE	NONE

Board of County Commissioners
County of Hillsborough, New Hampshire

We have audited the general purpose financial statements of the County of Hillsborough, New Hampshire, for the year ended June 30, 1988, and have issued our report thereon dated February 16, 1989. As part of our audit, we made a study and evaluation of the internal accounting control and the applicable internal control systems, used in administering Federal financial assistance programs of the County of Hillsborough, New Hampshire, to the extent we considered necessary to evaluate the systems as required by generally accepted auditing standards; the standards for financial and compliance audits contained in the **Standards for Audit of Governmental Organizations, Programs, Activities, and Functions**, issued by the U.S. General Accounting Office; the **Single Audit Act of 1984**; and the provisions of OMB Circular A-128, **Audits of State and Local Governments**.

The management of the County of Hillsborough, New Hampshire, is responsible for establishing and maintaining internal control systems, including those used in administering Federal financial assistance programs. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of control procedures. The objectives of internal control systems are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, and with respect to Federal financial assistance programs, that resource use is consistent with laws, regulations, and policies; resources are safeguarded against waste, loss, and misuse; transactions are executed in accordance with management's authorization; and reliable data are obtained and maintained to permit the preparation of financial statements in accordance with generally accepted accounting principles and the preparation of Federal reports in accordance with Federal requirements. Because of inherent limitations in any system of internal accounting and administrative controls, errors or irregularities may nevertheless occur and not be detected. Also, projection of any evaluation of the systems to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the degree of compliance with the procedures may deteriorate.

The significant internal accounting and administrative control categories, and the extent of our study and evaluation of these categories, are as follows:

For purposes of the report, we have clarified the significant **internal accounting controls** used in administering federal financial assistance program in the following categories: cash receipts, cash disbursements, receivable including billings, accounts payable including purchasing and receiving, payroll, property and equipment and general ledgers.

Our study included all of the applicable control categories listed above. During the year ended June 30, 1988, the County of Hillsborough, New Hampshire, expended 100% of its total federal financial assistance under major federal financial assistance programs. With respect to internal control systems used in administering major federal financial assistance programs, our study and evaluation included considering the types of errors and irregu-

Board of County Commissioners
County of Hillsborough, New Hampshire
300 Chestnut Street
Manchester, NH 03101

We have audited the accompanying general purpose financial statements of the County of Hillsborough, New Hampshire for the year ended June 30, 1988, and have issued our report thereon dated February 16, 1989.

We conducted our audit in accordance with generally accepted auditing standards; the standards for financial and compliance audits contained in the **Standards for Audit of Governmental Organizations, Programs, Activities, and Functions**, issued by the U.S. General Accounting Office; the **Single Audit Act of 1984**; and the provisions of OMB Circular A-128, **Audits of State and Local Governments** and, accordingly, included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

The management of the County of Hillsborough, New Hampshire is responsible for the County's compliance with laws and regulations. In connection with the audit referred to above, we selected and tested transactions and records from each major federal financial assistance program. The purpose of our testing of transactions and records from those federal financial assistance programs was to obtain reasonable assurance that the County of Hillsborough, New Hampshire had, in all material respects, administered major programs, and executed the tested non-major programs transactions, in compliance with laws and regulations, including those pertaining to financial reports and claims for advances and reimbursements, non-compliance with which we believe could have a material effect on the allowability of program expenditures.

Our testing of transactions and records selected from non-major federal financial assistance programs disclosed no instances of non-compliance with those laws and regulations, as shown in the accompanying schedule of findings and questioned costs.

In our opinion, for the fiscal year ended June 30, 1988, the County of Hillsborough, New Hampshire, administered each of its major federal financial assistance programs in compliance, in all material respects, with laws and regulations, including those pertaining to financial reports and claims for advances and reimbursements, non-compliance with which we believe could have a material effect on the allowability of program expenditures.

Further, the results of our testing of transactions and records referred to in the second paragraph of this report indicate that for the transactions and records tested, the County of Hillsborough, New Hampshire complied with those laws and regulations for which noncompliance could have a material effect on the allowability of program expenditures or on the County's general purpose financial statements, except as described in the accompanying schedule of findings and questioned costs. These instances of noncom-

pliance were considered by us in evaluating whether the general purpose financial statements are presented fairly, in all material respects, in conformity with generally accepted accounting principles. Our testing was more limited than would be necessary to express an opinion on whether the County of Hillsborough, New Hampshire administered the non-major Federal financial assistance programs in compliance, in all material respects, with those laws and regulations for which we believe noncompliance could have a material effect on the allowability of program expenditures. With respect to the transactions and records that were not tested by us, nothing came to our attention to indicate that the County of Hillsborough, New Hampshire had not complied with laws and regulations other than those laws and regulations for which we noted violations in our testing referred to above.

David L. Connors & Co., P.C.

February 16, 1989

**COUNTY OF HILLSBOROUGH, NEW HAMPSHIRE
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
JUNE 30, 1988**

Program	Finding/ Non-Compliance	Questioned Costs
Department of the Treasury		
Federal Revenue Sharing		
Grant No. 30-1-006-006-3	NONE	NONE
 Department of Health and Human Services		
Medicaid		
Grant No. 02504561470924092	NONE	NONE
 U.S. Department of Justice		
Law Enforcement Assistance Administration		
Victim/Witness Assistance		
Grant No. JAA-85-7384-091	NONE	NONE
 Fast Track to Prison		
Grant No. JAA-85-7384-092	NONE	NONE

Board of County Commissioners
County of Hillsborough, New Hampshire

We have audited the general purpose financial statements of the County of Hillsborough, New Hampshire, for the year ended June 30, 1988, and have issued our report thereon dated February 16, 1989. As part of our audit, we made a study and evaluation of the internal accounting control and the applicable internal control systems, used in administering Federal financial assistance programs of the County of Hillsborough, New Hampshire, to the extent we considered necessary to evaluate the systems as required by generally accepted auditing standards; the standards for financial and compliance audits contained in the **Standards for Audit of Governmental Organizations, Programs, Activities, and Functions**, issued by the U.S. General Accounting Office; the **Single Audit Act of 1984**; and the provisions of OMB Circular A-128, **Audits of State and Local Governments**.

The management of the County of Hillsborough, New Hampshire, is responsible for establishing and maintaining internal control systems, including those used in administering Federal financial assistance programs. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of control procedures. The objectives of internal control systems are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, and with respect to Federal financial assistance programs, that resource use is consistent with laws, regulations, and policies; resources are safeguarded against waste, loss, and misuse; transactions are executed in accordance with management's authorization; and reliable data are obtained and maintained to permit the preparation of financial statements in accordance with generally accepted accounting principles and the preparation of Federal reports in accordance with Federal requirements. Because of inherent limitations in any system of internal accounting and administrative controls, errors or irregularities may nevertheless occur and not be detected. Also, projection of any evaluation of the systems to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the degree of compliance with the procedures may deteriorate.

The significant internal accounting and administrative control categories, and the extent of our study and evaluation of these categories, are as follows:

For purposes of the report, we have clarified the significant **internal accounting controls** used in administering federal financial assistance program in the following categories: cash receipts, cash disbursements, receivable including billings, accounts payable including purchasing and receiving, payroll, property and equipment and general ledgers.

Our study included all of the applicable control categories listed above. During the year ended June 30, 1988, the County of Hillsborough, New Hampshire, expended 100% of its total federal financial assistance under major federal financial assistance programs. With respect to internal control systems used in administering major federal financial assistance programs, our study and evaluation included considering the types of errors and irregu-

larities that could occur, determining the internal control procedures that should prevent or detect such errors and irregularities, determining whether the necessary procedures are prescribed and are being followed satisfactorily, and evaluating any weaknesses.

With respect to the internal control systems used solely in administering the non-major federal financial assistance programs of the County of Hillsborough, New Hampshire, our study and evaluation was limited to a preliminary review of the systems to obtain an understanding of the control environment and the flow of transactions through the accounting system. Our study and evaluation of the internal control systems used solely in administering the non-major federal financial assistance programs of the County of Hillsborough, New Hampshire, did not extend beyond this preliminary review phase.

With respect to internal control systems for which our study was extended beyond the preliminary review phase, our study and evaluation included considering the types of errors and irregularities that could occur, determining the internal control procedures that should prevent or detect such errors and irregularities, determining whether necessary procedures are prescribed and are being followed satisfactorily, and evaluating any weaknesses. Such study and evaluation included the significant internal accounting and administrative control used in administering major Federal financial assistance programs and the following non-major Federal financial assistance programs Fast Track to Prison, Victim Witness programs, revenue sharing and DWI seminar. During the year ended June 30, 1988, the County of Hillsborough, New Hampshire, expended 95% of its Federal financial assistance under these major and non-major Federal financial assistance programs.

With respect to the internal control systems for which our study and evaluation was limited to a preliminary review, we merely obtained an understanding of the control environment, the accounting system, and control procedures. Accordingly, our audit would not necessarily disclose all material weaknesses in these systems.

Our study and evaluation described in the two preceding paragraphs were more limited than would be necessary to express an opinion on the system of internal accounting control of the County of Hillsborough, New Hampshire. Accordingly, we do not express an opinion on the system of internal accounting control taken as a whole or on the internal control systems used in administering the major (and non-major) Federal financial assistance programs of the County of Hillsborough, New Hampshire, or on any of the control categories identified above.

This report is intended solely for the use of management, all applicable Federal agencies, and those other governments from which Federal financial assistance was received and should not be used for any other purpose. This restriction is not intended to limit the distribution of this report, which, upon acceptance by the County of Hillsborough, New Hampshire, is a matter of public record.

David L. Connors & Co., P.C.

Concord, New Hampshire
February 16, 1989

STATUS OF PRIOR YEARS' FINDINGS/NON-COMPLIANCE

- 1) **Condition** - Employee W-4's are kept in two different locations.
Criteria - All W-4's or copies thereof should be kept by the payroll department to insure adequate documentation for payroll checks.
Recommendation - We recommend that the payroll clerk maintain control over all W-4's.
Comment/Corrective Action Taken - It appears no corrective action has been taken on this 1987 reportable condition.
- 2) **Condition** - Five employees selected for payroll testing did not have their W-4's on file.
Criteria - Every County employee should have a W-4 on file. Federal regulations on payroll earnings are becoming more strict. Each employee must now have ninety percent of his tax liability withheld or else face stiff underpayment penalties.
Recommendation - We recommend that the W-4 file be reviewed immediately and that it should be compared to the latest payroll printout. Any employees who have not completed a W-4 form should be notified immediately to complete this form.
Comment/Corrective Action Taken - This condition appears corrected as no violations of this procedure were discovered during the payroll testing of 1988.
- 3) **Condition** - The Sheriff's Department did not have a detailed list of accounts receivable.
Criteria - All governmental departments should maintain a list of accounts receivable when there are substantial amounts of money involved.
Recommendation - We recommend that the Sheriff's office establish a list detailing all monies owed it, and to update the list at the end of each month in order to reflect each month's transactions.
Comment/Corrective Action - The Sheriff's department has been recently computerized and an accurate listing of accounts receivable is one of its top priorities.
- 4) **Condition** - Original invoices are not cancelled.
Criteria - Invoices should be cancelled upon payment in order to minimize the possibility of duplicate payments.
Recommendation - We recommend that the County acquire the necessary equipment to cancel invoices. Invoices can either be stamped or perforated.
Comment/Corrective Action - The County is considering implementing this recommendation. During our 1988 audit, our tests revealed that invoices had been cancelled. Therefore, this recommendation has been implemented.

STATUS OF CURRENT YEARS' FINDINGS/NON-COMPLIANCE

- 1) **Condition** - The County's matching share for intermediate nursing home care of \$1,589,655 was not accrued at the end of the fiscal year.
Criteria - In government accounting, the modified accrual method serves as the basis of accounting. Expenditures are recognized when the related liability is incurred particularly where the amount is subject to reasonable estimation.
Recommendation - County should attempt to recognize their matching share of intermediate nursing home care as the related revenue has been totally accrued, if not already received, as income to the Nursing Home, for the fiscal years.
Comment/Corrective Action - County business manager said he was going to make this accrual in following fiscal years.
- 2) **Condition** - Appropriations were exceeded by approximately \$891,000 and revenue was overestimated by approximately \$277,000, or approximately 2.9% and 0.9% or 3.8% the total budget.
Criteria - Professional judgment must be used in determining the budget. The cost of nursing home care and the County's appropriation for the related matching funds appears to be the primary area responsible for this year's fiscal deficit.
Recommendation - County should attempt to better estimate nursing home costs. The County's matching share of these costs may be still difficult to estimate this next year as the State has changed slightly the method in determining future nursing home reimbursement rates.
Comment/Corrective Action Taken - County management is going to attempt to better estimate these future expenditures and revenues.
- 3) **Condition** - The County had committed \$23,351,000 for the construction of a new county correction facility, thus exceeding the \$22,000,000 authority.
Criteria - Delegation authority is needed before the expenditure of the \$22 million amount can be exceeded to include the use of interest earnings of this same amount for such purposes.
Recommendation - Delegation action should be postponed until final cost estimates are obtained, but that action should be taken fairly soon, otherwise actions should be taken to cut costs.
Comments/Corrective Action Taken - County delegation voted on April 27, 1989 to increase the authorization to commit an additional \$1,500,000 or a total commitment of \$23,500,000 for the construction of a new facility.

- 4) **Condition** - Grants classified as Special Revenue Funds, did not have their respective revenues and appropriations formally integrated on a gross basis in the annual fiscal budget. The accounts receivable and accounts payable for these funds should also be reflected on the County's balance sheet.

Criteria - Special Revenue Funds are accounted for in the same manner as General Funds.

Recommendation - An estimated amount for Grant revenue and expenditures should be included in the annual budget.

Comment/Corrective Action Taken - County management is studying this recommendation.

- 5) **Condition** - County attorney has not timely responded to requested of County auditors for status of litigation involving the County. Such responses for two years have been eleven and nine months after the County's fiscal yearend. Such response has untimely delayed the issuances of the County's audited financial statements.

Criteria - The County should receive its audited financial statements within six-months of its fiscal yearend.

Recommendation - County Delegation should seriously consider introducing legislation to having the county attorney position be appointed, not an elected position.

Comment/Corrective Action Taken - County management is studying this recommendation.

- 6) **Condition** - Long-term receivable of \$150,888 is not reflected on the General Ledger of the County.

Criteria - All significant receivable should be recorded on the books of the County.

Recommendation - Long-term receivable on sale of Moore Building of \$150,888 should be set up on General Ledger with a credit to "Fund Balance - Restricted for Moore Building Receivable". Each year this fund balance account should be debited and the long-term receivable should be credited for the amount of payments to the County of \$18,861.

Comment/Corrective Action Taken - County Business Manager is going to record this receivable on the General Ledger of the County.

HILLSBOROUGH COUNTY NURSING HOME
GOFFSTOWN, NEW HAMPSHIRE 03045
October 17, 1988

Honorable Board of
Hillsborough County Commissioners
County Court House
Manchester, New Hampshire 03101

Dear Commissioners:

The patient statistics for the Hillsborough County Nursing Home for the fiscal year ending June 30, 1988 in comparison with the previous fiscal year are as follows:

	Year Ending 6/30/87	Year Ending 6/30/88
Patients Admitted	54.	95.
Patients Expired	63.	88.
Patients Transferred	9.	7.
Medicaid Days	107,296.	105,427.
Self-Paid Days	729.	161.
County/City Days	0.	0.
Total Patient Days	108,025.	105,588.
Average Daily Occupancy	98.65%	96.43%

There were noticeable increases in both admissions and deaths during the past 12 months. Admissions increased 76 per cent from 54 to 95, while deaths showed a 40 per cent rise from the 1987 number of 63 to 88 in the fiscal year just ended.

These numbers bear out what we have been seeing for the past few years. Obviously we are living longer than in the past couple of decades. People are living at home longer, striving for independent living. Consequently, when hospitalization and subsequent nursing home care finally become necessary, our residents are in far worse condition than were those who were admitted here in previous years. It does not look as though this trend will be reversed in the foreseeable future.

The biggest and the most aggravating problem of the past year (which is continuing over into this current fiscal year) is the nursing shortage. It is of little consolation to read that this is occurring practically nationwide. And it is even more discomforting to hear that the problem is most acute in our northeastern section of the country.

Our Board of Commissioners has been made aware of this staffing situation. They have approved additional budget requests for the money necessary to fill our vacancies with outside employees from the now widely used temporary nurse staffing agencies. A freeze on admissions was approved by the Board when the staffing problem became very acute. At this writing, we are still holding our occupied beds to 285. But the high expense of filling our vacancies by using the pool nursing personnel will continue until we are able to attract and retain sufficient professional staff. The new contract and pay raises should help us in this regard.

We continued to upgrade our laundry with the purchase of a new 125-pound capacity washer/extractor. We have approval for a second new machine in the '88-'89 new budget. These mashing machines have 50 per cent more capacity and they operate more efficiently than our original units.

Our "Special Needs Unit" completed its first year of operation in May of 1988. We received a NACo Achievement Award for this project from the National Association of Counties. The award was accepted by Commissioner William Marcoux at the NACo annual meeting in California. Another award was won by our Dietary Department for their culinary arts display which has become a part of the New Hampshire Association of Counties annual meeting.

We continued our affiliating student nurse programs with the N.H. Vocational and Technical College and St. Anselm College. It is a pleasure to be a part of their education and clinical training for their chosen profession of nursing.

Our Medicaid (State) rate for the 12 months beginning October 1, 1987 has been \$68.11 per day. This will undoubtedly increase on 10/1/88. Our rate compares favorably with the Medicaid rates of the Merrimack and Rockingham County Nursing Homes; we three being the largest of the 11 county nursing homes.

We cannot close this report without once again thanking the Board of Commissioners and the Executive Committee for their continuing support during the year. We must also, on behalf of our residents, thank our Hillsborough County Nursing Home Guild and the Moore Associates for what they have done during the past year.

Respectfully submitted,

Robert G. Curran
Administrator

1987-88 REPORT OF THE HILLSBOROUGH COUNTY COOPERATIVE EXTENSION SERVICE

The Hillsborough County Cooperative Extension Service serves all the residents of Hillsborough County in the areas of Agriculture, Forestry, 4-H Youth Development, Home Economics and low-income nutrition programs. Offices are located in Milford and Goffs Falls and are staffed by twelve professionals and three EFNEP Program Associates.

AGRICULTURE

The agricultural agents are providing individual counseling to commercial growers, small farmers, landscapers, garden center operators and town officials. The agents also arrange and participate in educational programs for commercial growers, commercial organizations, small farmers, as well as home gardeners and home owners.

In addition, the agricultural agents attempt to reach the general public through regular news articles and garden columns that are prepared each week and sent to the county's daily and weekly newspapers. Agents also supply residents with farm building plans, livestock information, soil test results, farm business arrangements, etc.

The 1987-88 programs, and contacts through news media, visits and phone contacts reached a total of over 6 million people, with repeats. A total of 4,380 people were assisted directly or through educational meetings, providing up-to-date information to home owners and commercial growers.

4-H YOUTH DEVELOPMENT

4-H Youth Development is a learn by doing program for youth 8-19. Through hands-on projects, 4-H members have fun while developing skills in local or community clubs with one or more adult leaders.

Some of the major projects include: Animal Science, Careers, Forestry & Wildlife, Child Care, Food & Nutrition, Gardening, Citizenship, Camping and Outdoor Education and many more. 4-H members learn about creativity and self-expression, taking and following directions, being self-sufficient, working with people of all ages, appreciating nature, as well as achievements of humans, but mostly they learn about themselves and what they can achieve if they try.

The 4-H Club program offers educational programs from offices in Milford and Pine Island (Goffs Falls).

This year accomplishments included 73 4-H Clubs with 611 members enrolled, 494 volunteers donated their leadership skills and time to the 4-H program. Regular and special programs account for over 10,000 hours of staff time.

HOME ECONOMICS

The Extension Home Economics program helps families and individuals to solve problems related to food, nutrition and health, textiles and clothing, housing and home furnishings, human development and family living, consumerism, energy, and family resource management.

Up-to-date research-based practical information is offered through workshops and classes, newsletters, printed publications, radio, newspapers, and organized Extension Homemaker Groups.

This year's programs involved a total of over three million people, with repeats, at a cost of 2½ cents per contact. Educational meetings reached 5,752 homemakers directly. The Expanded Food and Nutrition Education program for low-income families served 633 different families.

FORESTRY

Your County Forestry programs are jointly administered by the Cooperative Extension Service, UNH, the State Department of Forests and Lands, and the County.

Our effort is designed to provide education and technical assistance in multiple-use forest management on private lands. This assistance is provided to private forest landowners, the forest products industry, municipalities and the general public. Information is presented through workshops, forest forums, field days, and one-on-one contacts with landowners, loggers, and forest product industries.

Education and assistance efforts of our program include bulletins, news articles, radio, television, and field demonstrations.

We also advise home owners on urban forestry problems as well as encourage youth groups such as 4-H, vocational agriculture and Scouting to become involved in learning and practicing good forestry.

This year's accomplishment highlights were 17,000 acres examined, 252 acres marked for cutting, 57 management plans designed, 64 educational meetings conducted with an attendance of over 1,500 landowners.

HILLSBOROUGH COUNTY SHERIFF'S DEPARTMENT

October 11, 1988

Chairman William Marcoux
Hillsborough County Board of Commissioners
300 Chestnut Street
Manchester, NH 03101

Dear Chairman Marcoux:

I am pleased to submit our annual report for Fiscal Year 1988; I trust the following summary and statistics attached will give a comprehensive picture of our department.

The past fiscal year has seen rapidly increasing demands for our services, as detailed on the attached statistical summary. Civil process continues to increase at an annual rate exceeding 15%, and prisoner transportation jumped nearly 50%.

The installation of the National Crime Information Center (NCIC) computer terminal has dramatically increased the felony arrests, since we now have instant communications with every federal, local, state, and sheriff department in the United States, as well as most foreign countries. This allows prompt entry of warrants into the system, helping to alert all agencies to wanted persons.

The Nixdorf computer system originally installed in 1986 to address out civil process needs has now been expanded to cover dispatch and corrections needs. Corrections personnel are being instructed in the use of the computer system, and are pleased with its time saving features as well as the ability to produce all needed reports and records efficiently.

The foregoing advances would not have been possible without the understanding, interest, and support of our Commissioners, Executive Committee and Delegation. I offer my sincere appreciation for their kind consideration of our proposals.

Finally, none of our achievements would be possible without the efforts of my staff, to whom I offer my deepest appreciation.

We shall continue to dedicate our efforts to providing the service our county residents deserve.

Sincerely,
Louis A. Durette
Sheriff

STATISTICS

Civil Division	FY/86	FY/87	Change	FY/88	Change
Writs received	22,500	26,544	+18%	30,416	+15%
Revenue	\$349,418	426,049	+22%	452,381	+ 6%

Court Security Division	1985	1986	Change	1987	Change
Persons checked (a lobby	—	7149	—	8435	+18%
Jurors (approximate)	(no record for 85/86)			10,816	—

Criminal Division	1985	1986	Change	1987	Change
Warrants cleared:					
Civil Bench	1292	1437	+11%	1804	+25.5%
Marital Capias	216	265	+23%	229	-13.5%
Felony Warrant	212	267	+26%	442	+65.5%

Bail collected & returned to plaintiffs on civil bench and marital capias': \$292,628

In 1987, 10% more warrants were received than were cleared, increasing the backlog due to insufficient personnel.

Transport Division	1985	1986	Change	1987	Change
Prisoners transported:	—	3,523	—	5281	+49.9%

Note: The dramatic increase in prisoner transports is due to several factors: medical transports from the House of Correction & Jail are now done by the Sheriff Department; court activity is constantly increasing, and requests by local law enforcement agencies has increased.

Extraditions:	—	119	—	123	+3.3%
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NOTES: (—) means accurate records for that period not available
The large increase in felony warrant clearance is due to assigning one full time deputy to that task, in addition to part time assistance from other deputies, plus the installation of NCIC computer, which allows immediate response to other agencies nationwide when persons wanted by this department are apprehended.

** Estimate based on \$274,310 income to 2/15/88, plus \$45,570 in receivables for a total billed revenue of 319,301 to date, multiplied by 1.40 to project to the end of fiscal '88. Revenue-per-writ has dropped due to inability to achieve the required in-hand service on many writs, thus reducing the fee on those writs returned unserved.

**HILLSBOROUGH COUNTY LEGISLATIVE
DELEGATION MEETING**

April 27, 1989

Representatives Hall, Concord, NH

MINUTES

Present: Representatives D. Hultgren, E. Lachut, L. Elliott, N. Kurk, E. Moore, L. Emerton, B. Hunter, A. Knight, D. McNerney, K. McRae, E. Amidon, M. Dyer, G. Cowenhoven, C. Holden, E. Lown, N. Tarpley, V. Barry, L. Perham, B. Prestipino, D. Wheeler, D. Bowers, E. Robinson, F. Ahrens, D. Fields, N. Frank, J. Flood, R. Kelley, B. Hall, G. Cox, D. Alukonis, S. Searles, N. Lawrence, L. Smith, B. Baldizar, P. Tyree, A. Record, S. Vanderlosk, R. Daigle, N. Ford, L. Guilbert, L. Long, F. Donovan, E. Andrews, D. Toomey, R. Jean, G. Gagnon, R. Lefebvre, J. McDowell, A. Gureckis, R. Morrissette, E. Keefe, D. Pignatelli, T. Drabinowicz, L. Steinger, W. Stiles, A. Bourque, T. Nardi, S. Green, L. Johnson, T. Pappas, L. Pepino, W. Barry, D. Healy, L. Dykstra, H. Foote, L. Soucy, R. Murphy, P. Dwyer, F. Genest, G. Provost, J. Domaingue, J. King, G. Rodgers, W. Desrosiers, M. Jenkins, F. Reidy, I. Messier, R. Turgeon, G. Desrochers, G. Kress, L. Rheault. Others present: R. Roulx and K. Giacomponello.

Chairman Pappas called the Convention to order at 4:45 p.m. and declared a quorum present.

Motion by Rep. Ahrens, seconded by Rep. Reidy, to approve the Hillsborough County Board of Commissioners' request to increase the New Correctional Facility appropriation from \$22,000,000 to \$23,500,000. The funding to be taken from interest earnings to date from jail bond proceeds and will not effect county taxes. He indicated that he and Rep. Reidy have attended almost every meeting the Commissioners had with Gilbane Construction Company. The Commissioners were informed by the County Attorneys office that they were committing more money than was appropriated. We have now received a request for additional appropriations. The money has already been committed, this will be retroactive approval. Rep. Lawrence questioned what would happen if the delegation votes no on the appropriation and by whose authority the monies were spent. Rep. Ahrens indicated that this is retroactive approval for monies that have been committed by the Commissioners. Rep. Robinson stated that the \$1.5 million has not been spent but is committed, and if the additional appropriation is not approved the jail might not open. The funds are to be taken from interest earned. Rep. Record indicated that if we do not approve the additional appropriation and the jail does not open by January 1, 1990, we might then be liable for three lawsuits. Rep. Stiles questioned on what the money was being. Rep. Ahrens responded it was for changes suggested by Gilbane and the Architects and approved by the Com-

missioners. \$500,000 will be spent on furnishings, including equipment for the library, recreational areas, dental office, medical office, barbershop, and administrative offices. These were not part of the original contract. Rep. Green reported that additional masonry charges due to a lack of masons in this area added to the increased cost. Rep. Record stated that the 1985 Hillsborough County Annual Report contains two reports. The Commissioners' report and a minority report published by me. In the minority report furnishings were included in the costs. This was taken out by the other two Commissioners. If we do not approve this appropriation we face the threat of lawsuits if we do not occupy the jail by January 1, 1990. We are already committed to spending the money. Rep. Robinson explained the major change orders necessitating the \$1.5 million dollar appropriation that were unanticipated at the time the contract was let. Foundation changes due to unanticipated soil conditions \$538,000. Extra foundations needed \$618,000. Changes due to a new basement area \$1,465,000. Rep. Stiles questioned why Gilbane was not aware of the soil conditions. Rep. Robinson explained that Gilbane did not design the building. Gilbane's bid was based on a design by the Architect who rejected the site and recommended the Goffstown site. Kimball Associates were subsequently hired as the Architect. R. Roulx explained that Gilbane was requested to submit a proposal based on the original Architect's plan. Gilbane's original estimate of \$18,500,000, increased with the new Architect's plans. Their Guaranteed Maximum Price can only be changed by approval of the Commissioners. Rep. Smith felt that the Architects are responsible and have liability insurance and that we should go after the money.

The Chairman requested the Clerk to call the roll.

Yeas

Representatives D. Hultgren, E. Lachut, L. Elliott, N. Kurk, E. Moore, L. Emerton, S. Knight, D. McNerney, K. McRae, E. Amidon, M. Dyer, G. Cowenhoven, E. Lown, D. Bowers, E. Robinson, F. Ahrens, D. Fields, N. Frank, J. Flood, R. Kelley, D. Alukonis, L. Smith, B. Baldizar, P. Tyree, A. Record, S. Vanderlosk, R. Daigle, N. Ford, L. Guilbert, L. Long, F. Donovan, E. Andrews, D. Toomey, R. Jean, G. Gagnon, R. Lefebvre, J. McDowell, A. Gureckis, R. Morrisette, E. Keefe, D. Pignatelli, T. Drabinowicz, L. Steiner, S. Green, L. Johnson, T. Pappas, W. Barry, D. Healy, L. Dykstra, L. Soucy, R. Murphy, P. Dwyer, F. Genest, G. Provost, J. Domaingue, J. King, W. Desrosiers, M. Jenkins, F. Reidy, I. Messier, R. Turgeon, G. Desrochers, G. Kress, L. Rheault.

Nays

Representatives B. Hunter, C. Holden, N. Tarpley, V. Barry, L. Perham, B. Prestipino, D. Wheeler, B. Hall, G. Cox, S. Searles, N. Lawrence, T. Lefebvre, W. Stiles, L. Pepino, H. Foote.

Rep. L. Guilbert, Clerk announced there were 65 Yeas and 15 Nays. Motion approved.

Motion by Rep. B. Packard, seconded by Rep. Knight, to approve the Hillsborough County Board of Commissioners' request to appropriate \$660,000 for Intermediate Nursing Care. The funding to be taken from increased revenue in the current fiscal year and will not effect county taxes. The Executive Committee vote unanimously to appoint a committee to review the deficit in this account. I would appreciate hearing from a member of that committee. Rep. Robinson asked for a no vote on the motion. The committee found there is a deficit in the account. The reason for the deficit is the reason we should vote no. In 1985 a special investigatory committee was appointed to review a similar deficit in this account. The bills paid by the county to the state are received late. April's bill is received in July or August then paid. The committee felt the county should pay April's bill with the appropriate fiscal year's money and not in the next fiscal year. The county should encumber sufficient funds to cover the bills in the fiscal year in which expenses are incurred. The reason for this deficit is that sufficient funds were not encumbered to cover the 1988 bills. The Commissioners' approved Budget Transfers of \$1.1 million out of the welfare line. The Executive Committee approved these transfers based on assurances by the Commissioners that there would be sufficient funds to cover the bills, with one dissenting vote, mine. I was concerned that we were not carrying forward sufficient funds. The delegation voted to reduce the budget based on the transfers that had been made. The bills for April, May, and June, 1988 were paid with F/Y 89 money. Some money was encumbered but not enough. At the end of June if this appropriation is necessary we can vote for it at that time. Rep. Green stated that he agreed. As Vice-Chairman of the Budget subcommittee, we were assured that there would be no short-falls in this account. Rep. Nardi asked if patient care would be jeopardized due to lack of funding. Rep. Robinson explained that would not happen. R. Roulx explained that the transfers were legitimate expenses primarily for salaries and wages in the Sheriff and House of Corrections Departments. Rep. Searles suggested that the county delegation be kept informed through periodic meetings. Rep. Record indicated that it does not matter if we vote for the appropriation now or later if needed.

The Chairman requested the Clerk to call the roll.

Yeas

Representatives D. Toomey and J. King.

Nays

Representatives D. Hultgren, E. Lachut, L. Elliott, E. Moore, L. Emerton, A. Knight, D. McNeerney, K. McRae, E. Amidon, M. Dyer, P. Drolet, G. Cowenhoven, C. Holden, N. Tarpley, V. Barry, L. Perham, B. Prestipino, D. Wheeler, D. Bowers, E. Robinson, F. Ahrens, D. Fields, N. Frank, J. Flood, R. Kelley, B. Packard, B. Hall, G. Cox, D. Alukonis, G. Rodgers, S. Searles, N. Lawrence, L. Smith, B. Baldizar, R. Bicknell, P. Tyree, A. Record, S. Vanderlosk, R. Daigle, N. Ford, L. Guilbert, F. Donovan, F. Andrews, R. Jean, G. Gagnon, R. Lefebvre, J. McDowell, A. Gureckis, R. Morrisette, E. Keefe, D. Pignatelli, T. Drabinowicz, L. Steiner, W. Stiles, A. Bourque, S. Green, L. Johnson, T. Pappas, L. Pepino, W. Barry, D. Healy, H. Foote, L. Soucy, R.

Murphy, P. Dwyer, F. Genest, G. Provost, R. Beaupre, J. Domaingue, W. Desrosiers, M. Jenkins, F. Reidy, I. Messier, R. Turgeon, G. Desrochers, G. Kress, L. Rheault.

The Clerk announced there were 2 Yeas and 77 Nays. Motion Denies.

Motion by Rep. Green, seconded by Rep. Robinson, to approve the Hillsborough County Board of Commissioners' request to enter into an agreement with Hobbies Plus of New Hampshire, Inc. for the use of Hillsborough County's land in Goffstown just off Henry Bridge Road. The land to be used for 1/10 radio control racing one weekend day per week for the period beginning May 1, 1989 and ending October 31, 1989. They will pay a fee of \$600. They shall also maintain comprehensive liability insurance for personal injury and property damage in an amount of One Million Dollars. The plan has to be sanctioned by the Goffstown Planning Board. Rep. Kurk questioned whether \$1 million dollars was sufficient coverage. The County would be responsible in the event of a lawsuit above \$1 million. We are setting a precedent by renting land to a for profit company and it is not an appropriate thing to do.

On a voice vote, motion approved with 14 voting in the negative.

There being no further business, it was moved and seconded to adjourn. On a voice vote the motion passed unanimously. The Convention adjourned at 6:00 p.m.

Rep. Lionel Guilbert, Clerk
Hillsborough County Delegation

**HILLSBOROUGH COUNTY LEGISLATIVE
DELEGATION MEETING
June 29, 1989
Hillsborough County Courthouse, Manchester, NH**

MINUTES

Present: Representatives D. Hultgren, E. Lachut, R. Sallada, E. Moore, L. Emerton, B. Hunter, D. McNERney, K. McRae, M. Dyer, R. Grip, P. Drolet, H. Mason, G. Cowenhoven, C. Holden, E. Lown, N. Tarpley, V. Barry, L. Perham, B. Prestipino, D. Wheeler, D. Bowers, M. Goulet, J. Klose, E. Robinson, F. Ahrens, D. Fields, N. Frank, J. Flood, R. Kelley, E. Dube, B. Packard, S. Jasper, S. Searles, N. Lawrence, R. Bicknell, A. Record, S. Vandelosk, R. Daigle, N. Ford, L. Guilbert, F. Donovan, G. Gagnon, R. Lefebvre, J. McDowell, A. Gureckis, R. Morrisette, B. McCann, D. Pignatelli, T. Drabinowicz, C. Brady, W. Stiles, A. Bourque, T. Nardi, J. O'Rourke, S. Green, L. Johnson, T. Pappas, L. Pepino, W. Barry, D. Healy, L. Dykstra, H. Foote, R. Murphy, F. Genest, G. Provost, R. Beaupre, J. Domaingue, J. King, J. Barry, P. Burkush, M. Jenkins, F. Reidy, I. Messier, R. Turgeon, G. Desrochers, R. Ouellette. Others present: Comm. W. Marcoux, Comm. E. Lobacki, D. Horan, T. Neumayer, R. Curran, G. Hennessey, R. Verrochi, R. Roulx and K. Giacomponello.

Chairman Pappas called the Convention to order at 7:40 p.m. with a Pledge to the Flag led by Rep. Guilbert.

Chairman Pappas then introduced the members of the Executive Committee.

Chairman Pappas requested those making motions to write the motion and submit the written motion to the Clerk, Rep. Guilbert.

Chairman Pappas then instructed the Clerk, Rep. Guilbert to call the roll. Chairman Pappas declared a quorum present.

Motion by Rep. Packard second by Rep. Reidy to approve the minutes of the April 27, 1989, Legislative Delegation Meeting. Rep. Nardi indicated a correction to the Minutes indicating she was present at the meeting. On a voice vote motion to accept and place on record, Minutes as corrected passes unanimously.

Motion by Rep. Robinson to approve the Hillsborough County F/Y 90 Budget as recommended in the Hillsborough County Executive Committee's proposed budget dated June 29, 1989 for a total appropriation of \$39,918,787 and that the sum of \$28,866,589 be raised in county taxes, the said county tax to be reduced by the final surplus figures upon closing of the county records for the fiscal year 1989. Second by Rep. Turgeon.

Rep. Robinson then addressed the Motion. As requested by the Chairman, Rep. Robinson explained the process of the Budget indicating that members of the Delegation had been invited to participate in the Budget Subcommittee meetings. The individual Subcommittees met with the various department heads and made recommendations to the Executive Committee which then met for a series of three meetings. At this time, the Executive Committee voted the bottom line of the Budget to be presented to the Delegation. While everyone is concerned about the Budget, there are areas over which there is no control as these areas are state mandated. Areas such as the county share of Welfare which has been increased from a 50-50 share to a 61.5% county share of these costs. Welfare costs include; Aid to Permanently and Totally Disabled, Old Age Assistance, Intermediate Nursing Care, and Juvenile Court Settlement Costs. In response to recommendations made by Mr. Verrochi, of Amherst at the Public Hearing of June 28, 1989; those recommendations would require policy changes by the Board of Commissioners or actions by the Legislature such as in the Welfare line, as those can not be controlled by the Delegation. The proposed F/Y 90 Budget, reflects the following percentage increases as recommended by the Executive Committee: Commissioners +6%, Business Office -3%, Personnel +2%, County Attorney +15%, Registrar of Deeds -4%, Sheriff +6%, Medical Referee +25%, Manchester Courthouse -22%, Nashua Courthouse +7%, Human Services +9%, Administration Human Services +29%, Nursing Home Administration +3%, Nursing Home Maintenance +8%, Nursing Home Dietary +6%, Nursing Home Nursing Service +10%, Nursing Home Laundry/Linen +4%, Nursing Home Housekeeping +4%, Nursing Home Restorative Services +10%, Nursing Home Social Services -3%, Barber/Beauty +10%, Corrections +32%, Cooperative Extension +4%, Conservation District +6%, County Debt -4%, Convention -5%, Old Complex Maintenance +4%, Contingency -18%, Special Projects +3%, Insurance +39%. In most instances these increases are minimal. Concern about the budget is focused on the increase in the tax rate, which is due in large measure to the Supplemental Appropriation voted October 25, 1988, by the Convention, for the negotiated salary agreement between the unions and Hillsborough County for approximately \$2 Million Dollars. This was not paid by the taxpayers as it was not included in the tax rate setting for the past fiscal year. The proposed budget reflects the same \$2 million dollars for this fiscal year and another \$1 million built in by the Executive Committee for salary and wage increases for the current fiscal year. These increases are not set because labor negotiations are still in progress at this time. Wages and salaries equal approximately 40% of the total budget. The new correctional facility budget reflects increased staffing and operational expenses. The insurance line is increased \$1 million dollars due to increase in municipal insurance trust and workmen's compensation. These areas are being looked at in order to reduce our risk liability.

Chairman Pappas asked for further discussion or comments on the motion on the floor.

Motion by Rep. Searles to amend the motion on the floor; to reduce the F/Y 90 County tax levy to a final and total amount of \$25,000,000, any deficit in the F/Y 89 budget caused by the Supplemental Appropriation for labor negotiations shall be funded from this total of \$25,000,000, the County Executive Committee is authorized and directed to work with the County Commissioners to reduce the F/Y 90 expense budget to such level as to balance expenses with revenue, the County Executive Committee and the County Commissioners are encouraged to institute policy changes that would enhance revenues in future fiscal years. Second by Rep. Beaupre. Rep. Searles then spoke to his motion indicating the citizens of his town are not able to pay the additional county taxes. The increase reflects a 30% tax increase which those living on fixed incomes are unable to fund. Reductions in the budget should come from all areas insuring that the elderly and sick are taken care of.

Motion by Rep. Frank to amend Rep. Searles amendment to the original motion. By way of explanation, Rep. Frank indicated that in order to protect the Health and Human Services Budget, she should move to amend. Health and Human Services is to be funded at the full level proposed by the Executive Committee. Rep. Frank indicated she had the approval of Rep. Searles and Rep. Beaupre to have this included in their motion. Rep. Searles then re-read the entire amended motion: to reduce the F/Y 90 County tax levy to a final and total amount of \$25,000,000, any deficit in the F/Y 89 budget caused by the Supplemental Appropriation for labor negotiations shall be funded from this total of \$25,000,000, the County Executive Committee is authorized and directed to work with the County Commissioners to reduce the F/Y 90 expense budget to such level as to balance expenses with revenue, the County Executive Committee and the County Commissioners are encouraged to institute policy changes that would enhance revenues in future fiscal years, Health and Human Services is to be funded at the full level proposed by the Executive Committee. Second by Rep. Beaupre.

Rep. Dykstra asked a procedural question if a certain line item is cut, can the Commissioners again change the line item as long as the bottom line stays the same. Rep. Robinson explained that the motion appears to be that the F/Y 90 Budget not be approved and that we go back and create a new budget, voting a continuing resolution that would allow the F/Y 89 Budget to continue until a new budget is created around his parameters. Rep. Searles concurred with the explanation. The new budget would then be voted on by the Convention as a line item budget. Transfers from line items can only be made by the Budget Transfer process which requires the approval of the Executive Committee.

Rep. Nardi questioned if the amended motion equals a \$3.8 million dollar reduction in the budget. Rep. Robinson indicated that since the Supplemental Appropriation from last year is included in the motion, the actual amount to be reduced is closer to \$6 million dollars. Rep. Pepino questioned if a continuing resolution were passed, would the F/Y 89 Budget amount of \$38.7 be used. Rep. Pappas indicated that was the case, and if the Delegation

did not approve a budget by September 1, 1989, the Commissioners' budget of \$40 Million would go into effect. Rep. Robinson commented on the motion by Rep. Searles, which would require a continuing resolution, allowing the F/Y 89 budget to continue for July and August and require a new budget be proposed requiring a \$6 Million Dollar cut in the County budget. The cut excludes Human Services which is \$11,732,496. The cut would not be from the \$39 Million but from \$28,186,291 a 21% cut. County Debt of \$3,442,600 has to be paid. That leaves \$24,743,691 a 25% cut in the County Budget. Other major expenses not included are the Nursing Home or Corrections from which this 25% cut must be cut. Rep. Frank moved to amend to exclude Nursing Home from budget cuts. Rep. Pappas indicated the motion on the floor would first be addressed. Rep. Pignatelli asked for an explanation of what would happen if this motion is passed. Rep. Robinson indicated that members voting for the motion should volunteer to work on the budget, since the work will take place through the summer. In 1985 the Delegation proposed a \$500,000 cut in the County budget. The Executive Committee proposed a new budget to the Delegation. The Delegation did not support the cuts, and the original budget was passed. Rep. Dykstra did not approve of arbitrarily cutting the budget, but could not support the bottom line and felt the Executive Committee should work to reduce the bottom line. Rep. Record spoke to the Corrections budget and the increases necessitated by the new facility and could not be reduced. Rep. Frank indicated the problem was between the State and the County and that changes should be made at the State level especially in the Welfare area to change the ratios.

Rep. Domaingue spoke to the motion indicating that a 25% increase is unacceptable, control must be exercised, to have a cost efficient government. Recommended self-insurance and containing costs for workmen's compensation. Send message to Administrators to run their departments well. This is a vehicle for a broad base tax. Would recommend a 10% cut in County tax portion needed to be raised for a total of \$25,979,930. Rep. Green as chairman of the Nursing Home Budget Subcommittee indicated they had gone over every line item in the budget and made cuts of over \$200,000 from the proposed budget; but did not cut necessary services. Several members of the Delegation who signed up for the Subcommittee did not attend the meetings and work through the process. Rep. Jasper indicated he could not afford to take time off from work for the meetings and suggested evening meetings. He suggested that all areas of the budget should be looked at for cuts. He felt the Supplemental Appropriation should not be included in the cuts since it had been approved by the Convention last year. Rep. Ahrens moved question second by Rep. Kelley. Motion passes. Rep. Guilbert read the amended motion.

Chairman Pappas requested the Clerk to call the roll.

Yeas

Representatives D. Hultgren, E. Lachut, B. Hunter, P. Drolet, L. Perham, B. Prestipino, D. Wheeler, M. Goulet, J. Klose, N. Frank, S. Searles, N. Lawrence, R. Bicknell, R. Lefebvre, C. Brady, W. Stiles, L. Pepino, G. Provost, R. Beaupre, J. Domaingue, P. Burkush, G. Desrochers, R. Ouellette.

Nays

Representatives R. Sallada, E. Moore, L. Emerton, D. McNerney, K. McRae, M. Dyer, R. Grip, H. Mason, G. Cowenhoven, C. Holden, E. Lown, N. Tarpley, D. Bowers, E. Robinson, F. Ahrens, D. Fields, J. Flood, R. Kelley, E. Dube, B. Packard, S. Jasper, A. Record, S. Vanderlosk, R. Daigle, N. Ford, L. Guilbert, F. Donovan, G. Gagnon, J. McDowell, A. Gureckis, R. Morrisette, B. McCann, D. Pignatelli, T. Drabinowicz, A. Bourque, T. Nardi, J. O'Rourke, S. Green, L. Johnson, W. Barry, D. Healy, L. Dykstra, H. Foote, R. Murphy, F. Genest, J. King, J. Barry, M. Jenkins, F. Reidy, I. Messier, R. Turgeon.

Rep. Guilbert, Clerk announced there were 23 Yeas and 51 Nays.
Motion fails.

Rep. Cowenhoven, point of order, Rep. Barry did not respond to the roll call. Rep. Barry indicated she votes no.

Motion by Rep. Jasper to reduce the F/Y 90 County tax levy to a final and total amount of \$25,000,000, the County Executive Committee is authorized and directed to work with the County Commissioners to reduce the F/Y 90 budget to such level as to balance expenses with revenue, the County Executive Committee and the County Commissioners are encouraged to institute policy changes that would enhance revenues in future fiscal years. Second by Rep. Domaingue. Rep. Green questioned how the motion differs from the previous motion. Rep. Jasper indicated it did not include the deficit for the Supplemental Appropriation and that Health and Human Services would be included in the budget reduction process. Rep. Mason indicated that Health and Human Services line items are costs billed by the state and not under the control of the County. Rep. Goulet addressed the word "encouraged" and would like to use mandating to County Commissioners and the word "policy" indicating a change to programs, and would recommend these substitutions to the motion. Rep. Pappas indicated the motion on the floor would first be addressed. Rep. Robinson indicated that the Executive Committee and Delegation can not make the Commissioners do anything, only control is through the "purse-strings" via Budget Transfers. A separation of powers exists we are the Legislative body. Rep. Ahren, second by Rep. Mason to move the question. Motion carries. Rep. Guilbert read the motion.

Chairman Pappas requested the Clerk to call the roll.

Yeas

Representatives D. Hultgren, E. Lachut, L. Emerton, M. Dyer, R. Grip, P. Drolet, C. Holden, E. Lown, N. Tarpley, V. Barry, L. Perham, B. Prestipino, D. Wheeler, D. Bowers, M. Goulet, J. Klose, N. Frank, S. Jasper, S. Searles, N. Lawrence, R. Bicknell, S. Vanderlosk, R. Lefebvre, C. Brady, W. Stiles, A. Bourque, L. Pepino, L. Dykstra, H. Foote, G. Provost, R. Beaupre, J. Domaingue, J. King, J. Barry, P. Burkush, G. Desrochers, R. Ouellette.

Nays

Representatives R. Sallada, E. Moore, D. McNerney, K. McRae, H. Mason, G. Cowenhoven, E. Robinson, F. Ahrens, D. Fields, J. Flood, R. Kelley, E. Dube, B. Packard, A. Record, R. Daigle, N. Ford, L. Guilbert, F. Donovan, G. Gagnon, J. McDowell, A. Gureckis, R. Morrisette, B. McCann, D. Pignatelli, T. Drabinowicz, T. Nardi, J. O'Rourke, S. Green, L. Johnson, L. Pepino, W. Barry, D. Healy, R. Murphy, G. Genest, M. Jenkins, F. Reidy, I. Messier, R. Turgeon.

Rep. Guilbert, Clerk announced there were 38 Yeas and 37 Nays. Chairman Pappas asked Attorney Horan what would happen in the event of a tie. He indicated the motion would be defeated. Chairman Pappas then cast her vote as no. Motion defeated.

Motion by Rep. Nardi, second by Rep. Green to move the original motion. Motion carried. Rep. Robinson read the original motion to approve the Hillsborough County F/Y 90 Budget as recommended in the Hillsborough County Executive Committee's proposed budget dated June 29, 1989 for a total appropriation of \$39,918,787 and that the sum of \$28,866,589 be raised in county taxes, the said county tax to be reduced by the final surplus figures upon closing of the county records for the fiscal year 1989. Parliamentary inquiry by Rep. Record as to the next step in the process if the motion were defeated. Rep. Robinson indicated she would recommend that a continuing resolution be voted, at which point the Chairman would decide on the appropriate method of reviewing the budget.

Chairman Pappas requested the Clerk to call the roll.

Yeas

Representatives E. Moore, K. McRae, H. Mason, G. Cowenhoven, E. Robinson, F. Ahrens, D. Fields, R. Kelley, E. Dube, B. Packard, N. Ford, L. Guilbert, F. Donovan, G. Gagnon, R. Morrisette, B. McCann, D. Pignatelli, T. Drabinowicz, T. Nardi, J. O'Rourke, S. Green, W. Barry, D. Healy, R. Murphy, F. Genest, F. Reidy, I. Messier, R. Turgeon, G. Desrochers.

Nays

Representatives D. Hultgren, E. Lachut, R. Sallada, L. Emerton, B. Hunter, D. McNerney, M. Dyer, R. Grip, P. Drolet, C. Holden, E. Lown, N. Tarpley, V. Barry, L. Perham, B. Prestipino, D. Wheeler, D. Bowers, M. Goulet, J. Klose, N. Frank, J. Flood, S. Jasper, S. Searles, N. Lawrence, R. Bicknell, A. Record, S. Vanderlosk, R. Daigle, R. Lefebvre, J. McDowell, A. Gureckis, C. Brady, W. Stiles, A. Bourque, L. Johnson, L. Pepino, L. Dykstra, H. Foote, G. Provost, R. Beaupre, J. Domaingue, J. King, J. Barry, P. Burkush, M. Jenkins, R. Ouellette.

Rep. Guilbert, clerk announced there were 29 Yeas and 47 Nays. Motion defeated.

Motion by Rep. Robinson to enact a continuing resolution authorizing county officials to make expenditures at the same level as the previous year's authorized operating budget, exclusive of capital items. Second by Rep. Dykstra. Rep. Robinson spoke to the motion which allows the 89 level of spending to continue until the Delegation enacts a F/Y 90 budget. A budget must be enacted prior to August 31, 1989 or the Commissioners' budget, according to statute, goes into effect. Be aware that a quorum will be difficult in the summer months and demanded that those voting no on the previous motion work on the budget review process. Rep. Robinson explained that if the motion were defeated, a motion would be needed on the budget as a line item budget and every line item would have to be approved as the Commissioners' budget is a line item budget. Rep. Lawrence requested to hear the statute. Attorney Horan read RSA:24-13-c Section VII. COUNTY CONVENTION shall adopt its annual budget not later than September 1. Notice of the meeting to adopt the annual budget shall be mailed to each member of the county delegation at least 14 days prior to the date on which the meeting is to be held. At least 7 days prior to any vote to adopt the annual budget, the county commissioners shall make available at the county courthouse and at other locations, if deemed appropriate by the executive committee, a sufficient number of copies of the proposed annual budget to permit each member of the COUNTY CONVENTION to receive a copy of said budget. If the COUNTY CONVENTION fails to adopt its annual budget by June 30, then the convention is authorized to enact a continuing operating resolutions which authorizes the county officials to make expenditures at the same level as the previous year's authorized operating budget, exclusive of capital items. If the COUNTY CONVENTION does not adopt its annual budget by September 1 the budget as proposed by the county commissioners shall take effect. Rep. Lawrence indicated his question was why the need for a line item budget and not a motion for a 10% reduction to the budget. Attorney Horan indicated that Hillsborough County operates by a line item budget and that is the form of the budget proposed by the Executive Committee as required by the Commissions. Motion by Rep. Dykstra, second by Rep. Nardi to move the question. Motion carries.

Chairman Pappas requested the Clerk to call the roll.

Yeas

Representative E. Lachut, R. Sallada, E. Moore, L. Emerton, B. Hunter, D. McNerney, K. McRae, M. Dyer, R. Grip, P. Drolet, H. Mason, G. Cowenhoven, C. Holden, E. Lown, N. Tarpley, V. Barry, L. Perham, B. Prestipino, D. Bowers, M. Goulet, J. Klose, E. Robinson, F. Ahrens, D. Fields, J. Flood, R. Kelley, E. Dube, B. Packard, S. Jasper, S. Searles, R. Bicknell, A. Record, S. Vanderlosk, R. Daigle, N. Ford, L. Guilbert, F. Donovan, G. Gagnon, R. Lefebvre, J. McDowell, A. Gureckis, R. Morrisette, B. McCann, D. Pignatelli, T. Drabinowicz, W. Stiles, A. Bourque, T. Nardi, J. O'Rourke, S. Green, L. Johnson, W. Barry, L. Dykstra, R. Murphy, F. Genest, R. Beaupre, J. Domaingue, J. King, J. Barry, P. Burkush, M. Jenkins, F. Reidy, I. Messier, R. Turgeon, G. Desrochers.

Nays

Representatives D. Hultgren, D. Wheeler, N. Frank, N. Lawrence, C. Brady, L. Pepino, D. Healy, H. Foote, G. Provost, R. Ouellette.

Rep. Guilbert, Clerk announced there were 65 Yeas and 10 Nays.
Motion carries.

Motion by Rep. Murphy, second by Rep. Donovan to discharge the Executive Committee except for the officers, and a new Executive Committee be elected this date. Following discussion, Rep. Murphy withdraws motion and Rep. Donovan withdraws second.

Motion by Rep. Ahrens, second by Rep. Kelley, to authorize the Hillsborough County Board of Commissioners to accept any additional federal or other funds made available to Hillsborough County during F/Y 90. On a voice vote, motion carries.

Rep. Stiles questioned the \$1.5 million dollar overrun on the new jail as discussed at the Convention of April 27, 1989; the architect was responsible for unanticipated soil conditions necessitating foundation changes. Attorney Horan indicated that change orders were approved by the Commissioners which changed the contract and increased the cost of the jail. Commissioner Marcoux stated that the County Attorney was looking into the matter of who was at fault, and possibly recovering the additional foundation costs.

Rep. Ouellette requested that budget subcommittee meetings be held in the evenings. Rep. Cowenhoven stated meetings in the day were held to accommodate department heads and that members of his subcommittee were able to attend the meetings as scheduled.

Motion by Rep. Dykstra, second by Rep. Record to adjourn. On a voice vote, motion carries. The Convention adjourned at 10:00 p.m.

Rep. Bonnie Lou McCann, Clerk Pro-Tem
Rep. Lionel Guilbert, Clerk
Hillsborough County Delegation

COUNTY OF HILLSBOROUGH, **NEW HAMPSHIRE** **Financial Statements** **With Schedule of** **Federal Financial Assistance** **June 30, 1989** **and** **Independent Auditor's Report**

COUNTY OF HILLSBOROUGH, NEW HAMPSHIRE **FINANCIAL STATEMENTS** **June 30, 1989**

Table of Contents

	Page(s)
INDEPENDENT AUDITOR'S REPORT	1-2
EXHIBITS:	
A Combined Balance Sheet - All Fund Types and Account Groups	3
B Combined Statement of Revenues, Expenditures and Changes in Fund Balance - All Governmental Fund Types	4
C Combined Statement of Revenues, Expenditures and Changes in Fund Balances - General Fund - Budget and Actual	5
D Combined Statement of Revenues, Expenses and Changes in Retained Earnings - Proprietary Fund Type - Hillsborough County Nursing Home	6
E Combined Statement of Changes in Financial Position - Proprietary Fund Type - Hillsborough County Nursing Home	7
NOTES TO FINANCIAL STATEMENTS	8-20

SUPPLEMENTAL SCHEDULES

SCHEDULES:

1	Schedule of General Fund Revenues - Budget and Actual	21
2	Schedule of General Fund Expenditures and Other Financing Uses - Budget and Actual	22-23
3	Schedule of Changes in General Fixed Assets - By Category	24

FEDERAL COMPLIANCE

INDEPENDENT AUDITOR'S REPORT ON SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE	25
Schedule of Federal Financial Assistance	26

INDEPENDENT AUDITOR'S REPORT

To the County Commissioners
County of Hillsborough, New Hampshire

We have audited the accompanying general purpose financial statements of the County of Hillsborough, New Hampshire as of June 30, 1989, and for the year then ended. These general purpose financial statements are the responsibility of the County of Hillsborough, New Hampshire management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

The County adopts its budget in accordance with State of New Hampshire regulations which omit budgets for Special Revenue Funds. Consequently, the general purpose financial statements do not present budgetary information for Special Revenue Funds as required by generally accepted accounting principles.

In our opinion, except for the effect of not presenting budgetary information for Special Revenue Funds as discussed in the preceding paragraph, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the County of Hillsborough, New Hampshire as of June 30, 1989, and the results of its operations and changes in financial position of its proprietary fund types for the year then ended in conformity with generally accepted accounting principles.

Our audit was made for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The financial statements listed as supplemental schedules in the table of contents are presented for the purpose of additional analysis and are not a required part of the general purpose financial statements of the County of Hillsborough, New Hampshire. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly stated in all material respects in relation to the general purpose financial statements taken as a whole.

Carey, Vachon & Clukay, PC

November 21, 1989

EXHIBIT A
COUNTY OF HILLSBOROUGH, NEW HAMPSHIRE
COMBINED BALANCE SHEET — ALL FUND TYPES AND ACCOUNT GROUPS
JUNE 30, 1989

	Governmental Fund Types			Nursing Home - Enterprise Fund		Fiduciary Fund Types		Account Groups			Totals (Memorandum Only)
	General	Special Revenue	Capital Projects			Agency		General Fixed Asset	General Long-Term Debt		
ASSETS											
Cash in banks (Note 2)	\$ 3,004,485	\$	\$	\$		\$ 252,436	\$			\$	\$ 3,256,921
Investments (Note 2)			5,365,229			98,479					5,463,708
Accounts receivable (Note 4)	216,530				582,465						798,995
Due from other funds (Note 7)	681,141		639,044			109,609					1,409,794
Due from other governments	280,000										280,000
Inventories (Note 1)					49,253						49,253
Property, plant and equipment - Net (Note 5)					3,572,821			23,558,156			27,128,777
Amount to be provided for general long term obligations											
	\$ 4,162,156	\$	\$ 6,004,273	\$ 4,204,339		\$ 460,524		\$23,556,156	19,000,000		19,000,000
									\$19,000,000		\$57,387,448

LIABILITIES AND FUND EQUITY

Liabilities:

Accounts payable	\$ 1,901,365	\$	558	\$	820,241	\$	46,692	\$		\$		\$ 2,768,856
Accrued expenses	158,430						157,125		98,479		0	414,034
Due to other funds (Note 7)	748,653		9,540				651,601					1,409,794
Due to specific individuals									362,045			362,045
Due to other governments	884,405											884,405
Compensated absences payable (Note 1)							62,289					62,289
General obligation bonds and notes payable (Note 6)							1,260,000				19,000,000	20,260,000
Total Liabilities	<u>\$ 3,692,853</u>	<u>\$</u>	<u>10,098</u>	<u>\$</u>	<u>820,241</u>	<u>\$</u>	<u>2,177,707</u>	<u>\$</u>	<u>460,524</u>	<u>\$</u>	<u>\$19,000,000</u>	<u>\$26,161,423</u>

Fund Equity:

Investment in general fixed assets (Note 1)	\$	\$	\$	\$	\$	\$23,556,156	\$					\$23,556,156
Contributed capital (Note 9)						564,929						564,929
Retained earnings						1,461,703						1,461,703

Fund Balances:

Unreserved:												
Designated for subsequent year's expenditures (Note 8)	3,267,772				5,184,032							8,451,804
Undesignated (Deficit) (Note 13)	(2,798,469)		(10,098)									(2,808,567)
Total Fund Equity	<u>\$ 469,303</u>	<u>\$</u>	<u>(10,098)</u>	<u>\$</u>	<u>5,184,032</u>	<u>\$</u>	<u>2,026,632</u>	<u>\$</u>		<u>\$</u>		<u>\$31,226,025</u>
	<u>\$ 4,162,156</u>	<u>\$</u>		<u>\$</u>	<u>6,004,273</u>	<u>\$</u>	<u>4,204,339</u>	<u>\$</u>	<u>460,524</u>	<u>\$</u>	<u>\$19,000,000</u>	<u>\$57,387,448</u>

See notes to financial statements

EXHIBIT B
COUNTY OF HILLSBOROUGH, NEW HAMPSHIRE
COMBINED STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED JUNE 30, 1989

	General	Special Revenue	Capital Projects	Totals (Memorandum Only)
Revenues:				
Taxes	\$22,954,239	\$	\$	\$22,954,239
Charges for services	2,213,911			2,213,911
Intergovernmental revenues		290,906		290,906
Interest	839,155		971,196	1,810,351
Miscellaneous	3,513,415			3,513,415
Total revenues	<u>\$29,520,720</u>	<u>\$ 290,906</u>	<u>\$ 971,196</u>	<u>\$30,782,822</u>
Expenditures:				
Current:				
General Government	\$ 3,141,683	\$	\$	\$ 3,141,683
Public Safety	7,282,940			7,282,940
Health and Welfare	12,325,085	70,330		12,395,415

Capital Outlay	439,402		12,971,980	13,411,382
Debt Service:				
Principal retirement	1,585,000			1,585,000
Interest	1,519,006			1,519,006
Total expenditures	<u>\$26,293,116</u>	<u>\$ 70,330</u>	<u>\$12,971,980</u>	<u>\$39,335,426</u>
Excess of Revenues Over (Under) Expenditures	<u>\$ 3,227,604</u>	<u>\$ 220,576</u>	<u>(\$12,000,784)</u>	<u>(\$8,552,604)</u>
Other Financing Sources (Uses):				
Operating transfers in	\$ 404,539	\$	\$	\$ 404,539
Operating transfers out	<u>(2,910,995)</u>	<u>(404,539)</u>		<u>(3,315,534)</u>
Total other financing sources (uses) - net	<u>(\$2,506,456)</u>	<u>(\$404,539)</u>	<u>\$</u>	<u>(\$2,910,995)</u>
Excess of Revenues Over (Under) Expenditures and Other Uses	\$ 721,148	(\$183,963)	(\$12,000,784)	(\$11,463,599)
Fund Balances, (Deficit) beginning of year, As Restated - (Note 12)	<u>(251,845)</u>	<u>173,865</u>	<u>17,184,816</u>	<u>17,106,836</u>
Fund Balances, (Deficit) end of year	<u>\$ 469,303</u>	<u>(\$10,098)</u>	<u>\$ 5,184,032</u>	<u>\$ 5,643,237</u>

See notes to financial statements

EXHIBIT C
COUNTY OF HILLSBOROUGH, NEW HAMPSHIRE
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
GENERAL FUND — BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 1989

	Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Taxes	\$22,954,239	\$22,954,239	\$
Charges for services	2,227,000	2,213,911	(13,089)
Interest	400,000	839,155	439,155
Miscellaneous	3,374,802	3,513,415	138,613
Total revenues	<u>\$28,956,041</u>	<u>\$29,520,720</u>	<u>\$ 564,679</u>
Expenditures:			
Current:			
General Government	3,300,653	3,141,683	158,970
Public Safety	7,360,828	7,282,940	77,888
Health and Welfare	11,981,466	12,325,085	(343,619)
Capital Outlay	445,504	439,402	6,102
Principal retirement	1,585,000	1,585,000	
Interest	1,519,028	1,519,006	22
Total expenditures	<u>\$26,192,479</u>	<u>\$26,293,116</u>	<u>(\$100,637)</u>
Excess of Revenues Over Expenditures	<u>\$ 2,763,562</u>	<u>\$ 3,227,604</u>	<u>\$ 464,042</u>
Other Financing (Uses):			
Operating transfers in	\$ 404,539	\$ 404,539	\$
Operating transfers out	(3,223,617)	(2,910,995)	312,622
Total other financing sources (uses)-net	<u>(2,819,078)</u>	<u>(2,506,456)</u>	<u>312,622</u>
Excess of Revenues Over (Under) Expenditures and Other Uses	<u>(\$55,516)</u>	<u>\$ 721,148</u>	<u>\$ 776,664</u>
Fund Balances, (Deficit) beginning of year, as restated - (Note 2)	<u>(251,845)</u>	<u>(251,845)</u>	<u></u>
Fund Balances, (Deficit) end of year	<u>(\$305,361)</u>	<u>\$ 469,303</u>	<u>\$ 776,664</u>

See notes to financial statements

EXHIBIT D

**COUNTY OF HILLSBOROUGH, NEW HAMPSHIRE
COMBINED STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN RETAINED EARNINGS
PROPRIETARY FUND TYPE —
HILLSBOROUGH COUNTY NURSING HOME
FOR THE YEAR JUNE 30, 1989**

Operating Revenues:

Charges for services	\$7,440,006
Other	<u>9,947</u>
Total operating revenues	7,449,953

Operating Expenses:

Administrative	896,569
Plant maintenance	505,555
Nursing care	5,818,764
Restorative services	372,388
Dietary	1,149,963
Medical	56,206
Laundry	377,187
Housekeeping	545,684
Social services	105,064
Barber & beauty shop	49,014
Depreciation (Note 1)	293,091
Bad debts	<u>4,031</u>
Total expenditures	<u>10,173,516</u>

Operating income (loss)	<u>(2,723,563)</u>
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Non-operating revenues (expense):

Interest expense	<u>(65,520)</u>
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Income before operating transfers	(2,789,083)
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Operating transfers in (Note 1)	<u>2,910,995</u>
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Net income	121,912
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Retained earnings, beginning of year	<u>1,339,791</u>
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Retained earnings, end of year	<u><u>\$1,461,703</u></u>
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See notes to financial statements

EXHIBIT E

**COUNTY OF HILLSBOROUGH, NEW HAMPSHIRE
STATEMENT OF CHANGES IN FINANCIAL POSITION —
PROPRIETARY FUND TYPE —
FOR THE YEAR ENDED JUNE 30, 1989**

Sources of working capital

From operations:	
Net income	\$ 121,912
Charges to operations not using working capital	
Depreciation (Notes 1 and 5)	293,091
Total working capital provided	<u>415,003</u>

Application of Working Capital:

Increase in Property and Equipment:	
Acquisition of fixed assets	57,960
Total working capital applied	<u>57,960</u>
Increase in Working Capital	<u><u>\$ 357,043</u></u>

Changes in Components of Working Capital:

Increase (decrease)	
Receivables	\$ 86,057
Inventories	(5,886)
Accounts payable	30,624
Due to other funds	(116,684)
Accrued expenses	(57,068)
General long-term obligations	420,000
Increase in Working Capital	<u><u>\$ 357,043</u></u>

See notes to financial statements

**COUNTY OF HILLSBOROUGH, NEW HAMPSHIRE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 1989**

NOTE 1—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The County of Hillsborough, New Hampshire was established in 1769 under the laws of the State of New Hampshire. The County boundaries include thirty-one New Hampshire municipalities located in southern New Hampshire. The County operates under the Commissioner/Delegation form of government and provides services as authorized by state statutes.

The accounting policies of the County of Hillsborough, New Hampshire conform to generally accepted accounting principles for governmental units except as indicated hereinafter. The following is a summary of significant accounting policies.

A. BASIS OF REPORTING

The County, for financial reporting purposes, includes all of the funds and account groups relevant to the operations of the County of Hillsborough, New Hampshire.

B. BASIS OF PRESENTATION - FUND ACCOUNTING

The accounts of the County are organized on the basis of funds or account groups, each of which is considered a separate accounting entity. The operation of each fund is accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund balance/retained earnings, revenues, and expenditures/expenses. The various funds are summarized by type in the financial statements. The following fund types and account groups are used by the County:

GOVERNMENTAL FUND TYPES

Governmental Funds are those through which most governmental functions of the County are financed. The acquisition, use and balances of the County's expendable financial resources and the related liabilities are accounted for through governmental funds. The measurement focus is upon determination of changes in financial position rather than upon net income determination. The following are the County's governmental fund types:

GENERAL FUND - The General Fund is the general operating fund of the County. It is used to account for all financial resources except those required to be accounted for in another fund.

SPECIAL REVENUE FUNDS - Special Revenue Funds are used to account for specific restricted revenues and expenditures. The County's placement prevention and victim assistance programs are accounted for as special revenue funds.

CAPITAL PROJECT FUND - Capital Project Fund is used to account for the financial resources used for the construction of a new correctional facility.

PROPRIETARY FUND TYPES

Proprietary Funds are used to account for the County's ongoing activities which are similar to those often found in the private sector. The measurement focus is upon determination of net income, financial position, and changes in financial position.

ENTERPRISE FUNDS - Enterprise funds are used to account for operations (a) that are financed and operated in a manner similar to private business enterprises — where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public or clients on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes. The Nursing Home Fund is accounted for as a self-supporting enterprise fund. However, the Fund receives a substantial operating subsidy from the General Fund on an annual basis to support current operations and fund

FIDUCIARY FUND TYPES

Fiduciary Funds are used to account for assets held by the County in a trustee capacity or as an agent for individuals; private organizations, and other governmental units, and/or other funds.

AGENCY FUNDS - Agency Funds are used to account for assets held by the County in a fiduciary capacity for various departments and individuals. Plan assets of the County's deferred compensation plan are also accounted for as an agency fund.

ACCOUNT GROUPS

GENERAL FIXED ASSET ACCOUNT GROUP - Property, plant and equipment used in governmental fund type operations are accounted for in the General Fixed Asset Account Group. Construction in progress relating to the jail facility is included in the Account Group as of June 30, 1989. The County has elected not to record depreciation on assets reported in the General Fixed Asset Account Group.

GENERAL LONG-TERM OBLIGATIONS ACCOUNT GROUP - This group of accounts is established to account for all unmatured general obligation bonds and notes payable.

C. BASIS OF ACCOUNTING

The modified accrual basis of accounting is followed by the governmental funds. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual, i.e. both measurable and available. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures, other than interest on long-term obligations, are recorded when the liability is incurred, if measurable.

In applying the susceptible to accrual concept to intergovernmental revenues, the legal and contractual requirements of the numerous individual programs are used as guidance. There are, however, essentially two types of revenues. In one, monies must be expended on the specific purpose or project before any amount will be paid to the County; therefore, revenues are recognized based upon expenditures recorded. In the other, monies are virtually unrestricted as to purpose of the expenditure and are usually revocable only for failure to comply with the prescribed compliance requirements. These resources are reflected as revenues at the time of receipt or earlier if the susceptible to accrual criteria is met.

The accrual method of accounting is used by the proprietary and fiduciary fund types.

During the course of normal operations, the County has numerous transactions between funds, including expenditure and transfers of resources to provide services, construct assets and service debt. The accompanying governmental and proprietary funds statements reflect such transactions as transfers.

D. INVENTORIES

Inventories in the Nursing Home Enterprise Fund are valued at the lower of cost (first-in, first-out basis) or market.

E. PROPRIETARY TYPE FUNDS - PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment are valued at cost. Depreciation has been provided over the estimated useful lives using the straight-line method. The estimated useful lives are as follows:

	Years
Land and improvements	5-25
Machinery and equipment	2-33

Depreciation expense in the Nursing Home Enterprise Fund was \$293,091 for the year ended June 30, 1989.

F. ACCRUED VACATION AND SICK LEAVE

Employees earn vacation and sick time as they provide services pursuant to County policy and the provisions of collective bargaining agreements. As employees cannot accumulate sick and vacation time beyond one year, no amounts are recorded as long-term obligations in the General Long-Term Debt Account Group.

Generally, sick leave is accrued at the rate of 1½ days per month per employee. All sick leave earned and unused at December 31 is paid in January of the following calendar year. The County does not record a liability for

these amounts in its governmental fund types at the end of the fiscal year as these expenses are accounted for as a "pay as you go" basis in the ensuing fiscal year.

The estimated value of accrued sick time for the Nursing Home Enterprise Fund has been accrued as a liability in that fund as required by generally accepted accounting principles. The recorded amount is \$62,289 as of June 30, 1989.

Any unused vacation pay is forfeited as of the employees anniversary date.

G. TOTAL COLUMNS ON COMBINED FINANCIAL STATEMENTS

Total columns on the combined financial statements are captioned "Memorandum Only" to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position, results of operations or changes in financial position in accordance with generally accepted accounting principles.

H. INTEREST CAPITALIZATION

The County does not capitalize the interest costs incurred during the construction period of on-going capital projects, as is required by generally accepted accounting principles.

NOTE 2 — CASH AND INVESTMENTS

The County's investment policy for Governmental and Proprietary Fund Types require that deposits and investments be made in financial institutions that are insured by the Federal Deposit Insurance Corporation and Federal Savings and Loan Insurance Corporation. The County limits its investments to money market accounts, certificates of deposit and repurchase agreements in accordance with New Hampshire state law.

At year end, the carrying amount of the County's deposits was \$3,256,921 and the bank balance was \$3,229,134. Of the bank balance, \$2,961,831 was covered by depository insurance or collateralized and \$267,303 was uninsured and uncollateralized.

Investments outstanding at year end consist of certificates of deposit. The certificates of deposit had a carrying value and bank balance of \$5,365,229. Of the bank balance, \$100,000 was covered by federal depository insurance and \$5,265,229 was uninsured and uncollateralized.

Other investments related to the County's deferred compensation plan consist of investments in mutual funds. At year end the carrying value and market value of these investments was \$98,479. These funds are held by the County's agent and are classified for credit risk as uninsured and unregistered investments in the County's name.

NOTE 3 — BUDGETARY ACCOUNTING

The County delegation is responsible for the adoption of budgets for all Governmental Fund Types and Nursing Home Enterprise Fund. Subsequent to the adoption of the budgets, the Commissioners may apply to the County Delegation for approval to make supplemental appropriations. Budget transfers between departments within any fund must be approved by the County Delegation. The budget reported in Exhibit C represent revised departmental appropriations as authorized by the County Delegation as follows:

Original approved County budget	\$36,688,848
Supplemental appropriation	2,077,478
Appropriation of Special Revenue Funds	<u>404,539</u>
Total adopted budget	39,170,865
Perspective difference:	
Nursing Home - Net Budget	(7,390,000)
Timing Differences:	
Continuing Appropriations:	
June 30, 1988	903,003
June 30, 1989	<u>(3,267,772)</u>
Adjusted Budget - Exhibit C	<u>\$29,416,096</u>

NOTE 4 — GENERAL FUND RECEIVABLES:

General fund receivables, net of applicable reserves are as follows at June 30, 1989:

	Gross Receivable	Reserve	Net Receivable
Moore Building	\$132,088	\$(132,088)	\$
Registry of Deeds	37,428		37,428
Sheriff	50,107		50,107
So. N.H. Services	66,054		66,054
Other receivables	<u>62,941</u>		<u>62,941</u>
	<u>\$348,618</u>	<u>\$(132,088)</u>	<u>\$216,530</u>

The receivable relating to the Moore Building resulted from the sale of this building on November 1, 1985. The selling price is payable to the County over a ten year period that commenced in 1987. It is the County's policy to reserve long-term receivables until the payments are collected.

NOTE 5 — ENTERPRISE FUND - PROPERTY, PLANT AND EQUIPMENT

Following is a summary of the Nursing Home Enterprise Fund property, plant and equipment at year end:

	Cost	Accumulated Depreciation	Net
Land & Improvements	\$ 508,359	\$ 385,971	\$ 122,388
Buildings & Improvements	5,467,696	2,386,203	3,081,493
Machinery & Equipment	1,277,707	908,967	368,740
Sewage Treatment	32,900	32,900	
	<u>\$7,286,662</u>	<u>\$3,714,041</u>	<u>\$3,572,621</u>

NOTE 6 — CHANGE IN LONG-TERM OBLIGATIONS

The following is a summary of debt transactions of the County for the year ended June 30, 1989:

	General Long-Term Obligations	Enterprise- Nursing Home	Total
Debt Payable -			
Beginning of period	\$20,585,000	\$1,680,000	\$22,265,000
New Debt Issued	-0-	-0-	-0-
Debt Retired	<u>(1,585,000)</u>	<u>(420,000)</u>	<u>(2,005,000)</u>
	<u>\$19,000,000</u>	<u>\$1,260,000</u>	<u>\$20,260,000</u>

General obligation bonds payable at June 30, 1989 were issued on August 15, 1986 with an original amount of \$22,000,000 bearing interest at 6.4% per annum. The proceeds of the bond issue were used to construct a new jail facility. The unpaid balance at June 30, 1989 of \$19,000,000 is payable in variable annual payments of until 2001.

General obligation bonds relating to the Hillsborough County Nursing Home at June 30, 1989 were issued on October 1, 1976 with an original amount of \$6,300,000 bearing interest at 4.8% per annum. The proceeds of the bond issue were used for nursing home construction. The unpaid balance at June 30, 1989 of \$1,260,000 is payable in annual payments of \$420,000 until 1992.

Interest and bond costs for the year ended June 30, 1989 were \$1,270,028 for the General Fund and \$65,520 for the Enterprise Fund.

The annual requirements to amortize the debt outstanding as of June 30, 1989, including interest of \$7,915,020 is as follows:

Year	Amount
1990	\$ 3,142,600
1991	3,026,440
1992	2,910,280
1993	2,384,200
1994	2,288,200
1995-1999	10,001,000
2000-2001	4,422,300
	<u>\$28,175,020</u>

NOTE 7 — INTERFUND BALANCES

Individual interfund receivable and payable balances at June 30, 1989:

Fund	Interfund Receivables	Interfund Payables
GENERAL FUND:		
Special Revenue Fund	\$ 9,540	
Nursing Home Enterprise Fund	651,601	
CAPITAL PROJECT:		
General Fund	639,044	
AGENCY FUND:		
General Fund	109,609	
GENERAL FUND:		
Capital Project Fund		\$ 639,044
Agency Fund		109,609
SPECIAL REVENUE FUND:		
General Fund		9,540
NURSING HOME ENTERPRISE FUND:		
General Fund		651,601
	<hr/>	<hr/>
	\$1,409,794	\$1,409,794
	<hr/>	<hr/>
	<hr/>	<hr/>

NOTE 8 — DESIGNATED FOR FUTURE YEAR'S EXPENDITURES

General Fund

Appropriations for certain projects and specific budget items not fully expended at year end are carried forward as continuing appropriations to the next year, in which they supplement that year's appropriations. At year-end, continuing appropriations are reported as components of fund balance and are detailed as follows:

County commissioners	\$ 3,030
County attorney	6,604
Registry of deeds	75,924
Sheriffs department	5,114
Nursing home	17,258
House of correction	9,936
Capital outlay	38,759
County extension	755
Administration building	2,957,845
Incentive funds	152,547
	<hr/>
	\$3,267,772

Capital Project Fund

The County has authorized \$23,500,000 for the construction of a new jail facility. Unexpended funds relating to this project at June 30, 1989 were \$5,184,032. The project is scheduled to be completed during the fiscal year ending June 30, 1990.

NOTE 9 — CHANGES IN CONTRIBUTED/DONATED CAPITAL

Contributed capital recorded in the Nursing Home Enterprise Fund relates to funds received from the County or the federal government. The balance at the July 1, 1988 and June 30, 1989 was \$564,929.

NOTE 10 — PENSION PLANS

The County participates in the New Hampshire Retirement System, which is a multi-employer defined benefit pension plan. The system covers substantially all full-time permanent employees. It requires that both the County and employees contribute to the plan and provides retirement, disability and death benefits.

Employees are eligible for normal retirement upon attaining age sixty and early retirement after reaching fifty-five, provided they have accumulated ten years of creditable service. For the year ended June 30, 1989, covered wages were \$8,741,047, 75% of total wages of \$11,698,946. Employee contributions were \$455,882, 5.2% of covered wages. The County's contribution to this plan was \$245,942 or 2.8% of covered wages.

As of June 30, 1989, the unfunded accrued liability is not available. Cost of living increases to retirees is being funded by the County on a percentage reimbursement basis to the New Hampshire Retirement System. Actuarially determined vested and non-vested benefits have not been calculated for the County's portion of the plan. Additional disclosures required by generally accepted accounting principles have not been made available by the New Hampshire Retirement System.

The County sponsors a deferred compensation plan that is available for all employees under Section 457 of the Internal Revenue Code. Under the plan, employees may elect to defer a percentage of their salary up to prescribed limitations. The County does not make contributions to this plan. Employees, or their beneficiaries, are eligible to receive benefit payments at retirement, upon termination of employment, or in the event of disability. Plan assets, which remain the property of the County until actually paid or made available to the employee, are reported as an agency fund within these financial statements.

NOTE 11 — SALE OF COURTHOUSE

The County has entered into an agreement to sell the Manchester Superior Court House property to the State of New Hampshire for \$3,100,000. These funds, received by the County during the year ended June 30, 1989, were placed in escrow pending recording of the deed. As the proceeds from the sale were recognized as revenues, the original cost of the building has been removed from the General Fixed Asset Account Group. See Note 14 regarding events subsequent to the balance sheet date.

NOTE 12 — RESTATEMENT OF GENERAL FUND BALANCE

General Fund balance as of July 1, 1988 has been restated to reflect the proper treatment of a reserve for a loan receivable. The reserve was previously reported as a component of fund balance. Proper treatment is to report the reserve as a reduction of the related asset balance.

Fund Balance (Deficit) July 1, 1988,	
as previously reported	\$(100,957)
To report reserve as a reduction	
of related receivable	<u>(150,888)</u>
Fund Balance (Deficit) July 1, 1988	
as restated	<u><u>\$(251,845)</u></u>

NOTE 13 — GENERAL FUND DEFICIT

The County's undesignated fund balance deficit at June 30, 1989 is \$2,798,469 as reported on Exhibit A. In accordance with New Hampshire Statutes, the County has the ability to expend funds based on a supplemental appropriation. Although the funds are expended in the current year, the revenues that will fund these appropriations will not be raised until the following year. This timing difference results in a deficit until such time the revenues are received in the subsequent year. During the year ended June 30, 1989, the County had a supplemental appropriation of \$2,077,478, accounting for a significant portion of the deficit.

NOTE 14 — SUBSEQUENT EVENTS

The escrow agreement described in Note 11 relating to the sale of the Courthouse was terminated on October 31, 1989. At that time the deed was to be recorded transferring the property to the State of New Hampshire. A rental agreement was also included in the agreement allowing the County to occupy the premises until January 1992.

NOTE 15 — COMMITMENTS AND CONTINGENCIES

A. LITIGATION

The County Attorney's Office estimates that any potential claims against the County which are not covered by insurance, are immaterial and would not affect the financial position of the County.

B. OTHER CONTINGENCIES

The County participates in the federally assisted Medicaid program at the County Nursing Home. This program is subject to financial and compliance audits by the grantors or their representatives. The amounts, if any, of expenditures which may be disallowed by the granting agency cannot be determined at this time, although the County expects such amounts, if any, to be immaterial. The County received \$6,011,635 during the year ended June 30, 1989 in Medicaid funding through the State of New Hampshire.

SCHEDULE 1

COUNTY OF HILLSBOROUGH, NEW HAMPSHIRE
Schedule of General Fund Revenues - Budget and Actual -
For the Year Ended June 30, 1989

	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES:			
County taxes	\$22,954,239	\$22,954,239	
Charges for Services:			
Registry of deeds	1,500,000	1,455,697	(\$44,303)
Sheriff's department	477,000	536,164	59,164
Bailiffs reimbursement	250,000	222,050	(27,950)
	<u>2,227,000</u>	<u>2,213,911</u>	<u>(13,089)</u>
Interest:			
Investment income	400,000	839,155	439,155
Miscellaneous:			
Jail revenues	65,000	77,354	12,354
Rent	205,352	198,181	(7,171)
Coop extension service	3,450	2,587	(863)
Sale of courthouse	3,100,000	3,100,000	
Other	1,000	135,293	134,293
	<u>3,374,802</u>	<u>3,513,415</u>	<u>138,613</u>
Total Revenues	<u>28,956,041</u>	<u>29,520,720</u>	<u>564,679</u>
Other Financing Sources:			
Operating Transfer in:			
Special Revenue Fund	404,539	404,539	
Total Revenues and Other Financing Sources	<u>\$29,360,580</u>	<u>\$29,925,259</u>	<u>\$ 564,679</u>

SCHEDULE 2

COUNTY OF HILLSBOROUGH, NEW HAMPSHIRE

Schedule of General Fund Expenditures and Other Financing Uses - Budget and Actual For the Year Ended June 30, 1989

	Budget	Actual	Variance Favorable (Unfavorable)
EXPENDITURES:			
Current:			
General Government:			
County commissioners	\$ 104,281	\$ 102,498	\$ 1,783
Business office	289,597	260,910	28,687
Personnel division	86,087	79,967	6,120
Court	212,341	207,583	4,758
County attorney	982,182	952,063	30,119
Registry of deeds	920,894	860,625	60,269
Property maintenance	188,376	188,376	
Contingency	6,000		6,000
County convention	71,694	64,063	7,631
Law library	24,000	24,000	
County cooperative extension service	389,564	375,868	13,696
Conservation district	25,637	25,730	(93)
	<u>3,300,653</u>	<u>3,141,683</u>	<u>158,970</u>
Public Safety:			
Sheriff's department	1,586,489	1,654,543	(68,054)
Corrections	5,699,339	5,553,477	145,862
Medical referee	75,000	74,920	80
	<u>7,360,828</u>	<u>7,282,940</u>	<u>77,888</u>
Health and Welfare:			
Welfare assistance	11,200,515	11,543,416	(342,901)
Welfare administration	95,548	96,266	(718)
Southern NH Services	195,919	195,919	
St. Joseph's Comm. Center	46,847	46,847	
Nashua Family Planning	6,000	6,000	
Adult Learning Center	16,000	16,000	
Plus Company	7,000	7,000	
Special projects	413,637	413,637	
	<u>11,981,466</u>	<u>12,325,085</u>	<u>(343,619)</u>

Capital Outlay:			
Business office	2,082	913	1,169
Court house	159,404	158,380	1,024
House of correction	19,340	19,340	
County jail	5,000	5,000	
Sheriffs department	7,918	7,876	42
Register of deeds	76,769	76,769	
Coop. extension service	9,585	9,358	227
Old complex	20,251	17,234	3,017
Human services admin.	3,000	2,377	623
Administration building	142,155	142,155	
	<u>445,504</u>	<u>439,402</u>	<u>6,102</u>
Debt Service:			
Principal retirement	1,585,000	1,585,000	
Interest on long-term debt	1,270,028	1,270,028	
Interest on tax anti- pation notes	249,000	248,978	22
	<u>3,104,028</u>	<u>3,104,006</u>	<u>22</u>
Total Expenditures	26,192,479	26,293,116	(100,637)
Other Financing Uses:			
Operating Transfer to Nursing Home Fund	<u>3,223,617</u>	<u>2,910,995</u>	<u>312,622</u>
Total Expenditures and Other Financing Uses	<u>\$29,416,096</u>	<u>\$29,204,111</u>	<u>\$ 211,985</u>

SCHEDULE 3

COUNTY OF HILLSBOROUGH, NEW HAMPSHIRE
Schedule of Changes in General Fixed Assets - By Category
For the Year Ended June 30, 1989

Department	Balance July 1, 1989	Current Activity	Balance June 30, 1989
Land and Improvements	\$ 80,598	(\$3,006)	\$ 77,592
Buildings and Improvements	4,650,415	(2,109,156)	2,541,259
Machinery and Equipment:			
Equipment	1,671,006	57,909	1,728,915
Vehicles	41,218		41,218
Construction in Progress		19,167,172	19,167,172
	<u>\$ 6,443,237</u>	<u>\$17,112,919</u>	<u>\$23,556,156</u>

INDEPENDENT AUDITOR'S REPORT ON SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE

To the County Commisisoners
County of Hillsborough, New Hampshire

We have audited the general purpose financial statements of the County of Hillsborough, New Hampshire for the year ended June 30, 1989, and have issued our report thereon dated November 21, 1989. These general purpose financial statements are the responsibility of the County of Hillsborough, New Hampshire management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards and **Governmental Auditing Standards**, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement. An audit in accordance with these standards includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

Our audit was made for the purpose of forming an opinion on the general purpose financial statements of the County of Hillsborough, New Hampshire taken as a whole. The accompanying schedule of federal financial assistance is presented for the purpose of additional analysis and is not a required part of the general purpose financial statements. The information in that schedule has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly stated in all material respects in relation to the general purpose financial statements taken as a whole.

Carey, Vachon & Clukay, PC

November 21, 1989

COUNTY OF HILLSBOROUGH, NEW HAMPSHIRE
Schedule of Federal Financial Assistance
For the Year Ended June 30, 1989

Federal Granting Agency/Recipient State Agency/Grant Program/State Grant Number	Federal Catalogue Number	Balance July 1, 1988	Federal Revenues	Expenditures	Balance June 30, 1989
DEPARTMENT OF HEALTH AND HUMAN SERVICES					
Pass Through Payments from NH Department- of Health and Human Services:					
Medical Assistance Program (Medicaid)	13.714		\$6,011,635	\$6,011,635	
DEPARTMENT OF JUSTICE					
Pass Through Payments from NH Office of the Attorney General:					
Victim Assistance Program	16.573	\$1,827	33,304	62,412	(\$27,281)
Fast track to Prison	16.573	1,773			1,773
DWI Prosecutor Seminar	20.600		150	150	
		<u>3,600</u>	<u>33,454</u>	<u>62,562</u>	<u>(25,508)</u>
TOTAL FEDERAL FINANCIAL ASSISTANCE, ALL PROGRAMS		<u>\$3,600</u>	<u>\$6,045,089</u>	<u>\$6,074,197</u>	<u>(\$25,508)</u>

**1989 ANNUAL REPORT
OF THE BOARD OF COMMISSIONERS
HILLSBOROUGH COUNTY**

Dear Citizens:

The 1989 fiscal year was an active one for Hillsborough County. Many projects were finished and new ones undertaken.

In July the Hillsborough County Courthouse in Manchester was sold for \$3.1 million to the State of New Hampshire. This was a lump sum cash sale which was of substantial financial benefit to the county.

The sale of the Manchester property prompted the county to explore relocation sites for county offices. A committee chaired by Commissioner Verville and members of the County Delegation recommended that the Bouchard Building in Goffstown and the Nashua Courthouse be renovated to accomplish this.

In the Spring, the Nashua Courthouse became fully handicapped accessible. Thus, fulfilling an important need.

Construction continued on the new correctional facility on Valley Street in Manchester. The old Valley Street Jail was razed. An important chapter in the county's history was now over.

The aforementioned are some of the highlights of a successful year. We look forward to an even more successful year ahead.

Sincerely,
William C. Marcoux, Jr., Chairman
John J. McDonough
Edward J. Lobacki

HILLSBOROUGH COUNTY NURSING HOME
GOFFSTOWN, NEW HAMPSHIRE
February 20, 1990

Honorable Board of
Hillsborough County Commissioners
County Court House
Manchester, New Hampshire 03101

Dear Commissioners:

The patient statistics for the Hillsborough County Nursing Home for the fiscal year ending June 30, 1989 in comparison with the previous fiscal year are as follows:

	Year Ending 6/30/88	Year Ending 6/30/89
Number of Admissions	95.	134.
Number of Deaths	88.	93.
Number of Transfers	7.	26.
Medicaid Days	105,427.	103,424.
Self-Paid Days	161.	289.
Total Patient Days	105,588.	103,713.
Average Daily Occupancy	96.43%	94.71%

Statistics for this reporting period show increases in admissions, discharges and deaths. Admissions increased by 41% from 95 to 134. There was a threefold increase in the number of residents transferred out of the County Home. For the most part, these residents went to congregate group homes and to independent living arrangements. A few others returned to their family units. Others were re-admitted after hospital stays of 14 or more days.

Agewise, we admitted probably our youngest resident, a young man age 17, who met all of our criteria for admission. Our oldest to be admitted was a 94-year-old female from Manchester. Age knows no limitations here.

Our use of temporary nurse staffing agencies increased considerably again due to our inability to fill our authorized nursing positions. We were allowed to lower our census to 280 for several months due to the staffing shortage. This decreased number of patient days reduced our average daily census to 94.7 percent.

During the year, we had a change in Food Service Manager of our dietary department. Mr. Peter Hopwood was transferred by Seiler's after 3 years with us. His very capable replacement was Mr. Mark Liacos who continued to give us excellent managerial service in the area of food service.

Our Alzheimer's Unit continues to operate at capacity. This was one of our answers to the need to care for the increasing number of our elderly who are suffering with this condition.

Our sincere thanks go again this year to our loyal group of 110 volunteers who combined to give us a grand total of 3,645 hours of their time. Thanks to all of them.

In closing, I must give many thanks to all of our Department Heads and their staff personnel for continuing to labor in the vineyard of long term care. The U.S. Administration of Aging, Bureau of the Census, forecasts that by the year 2000 the over-85-age group will number approximately 10 million people, roughly equal to the present 75 to 84 age group by that time.

Indeed there is now, and there will always be, a big continuing need for the care of the elderly. All of us here are doing our part in this effort and we shall continue to do so, serving the citizens of Hillsborough County to the best of our ability.

Respectfully submitted,
Robert G. Curran
Administrator

**HILLSBOROUGH COUNTY
DEPARTMENT OF CORRECTIONS
1988-89 REPORT**

FY 89 saw continued growth in the number of inmates committed to the care of the Department. Construction continues on the new correctional facility, with occupancy assured before the end of the calendar year.

The Valley Street Jail was razed in late 1988 and the inmates were transferred to the House of Correction in Goffstown. Consolidated figures reflect of growth of 7.15% in the inmate population for FY 89, finishing the year at 300. Approximately \$80,000 in County revenue was generated, primarily through the Work Release program. Exclusive of personnel costs, but considering all costs of inmate-specific service delivery, an individual was housed with the Department for approximately \$7.30 per day. Building and Departmental costs averaged approximately \$748 per day.

The change in administration late in the fiscal year has brought with it the anticipation of renewed dedication to the Department's mission and service to the community.

Respectfully submitted,
Thos. F. Neumayer
Director

**REGISTRY OF DEEDS
1988-89 ANNUAL REPORT**

To the Honorable Board
of Hillsborough County Commissioners:

The Registry brought in over one million dollars in revenue this fiscal year.

INCOME STATEMENT:

Revenue

Recording Fees	918,153.18
Commission Tax Stamps	357,174.41
Copies	132,549.73
Sheriff's Department	10,669.00

Sub total

Accounts Receivable	46,564.97
Less refunds/bad debts	2,081.16

Grand Total 1,463,030.13

We are utilizing our computers to their fullest capacity. The copy room billing is computerized for both staff and public. Information can be readily accessed via microfilm or computer terminals located in the Registry.

I initiated optical disk in November and we are moving full speed ahead. The public will be able to experience "hands on" in the very near future.

Renovations for more Registry space will begin next year.

Once again I would like to express my gratitude to my loyal staff, the County Delegation members and Commissioners for the continued support I have received.

Respectfully submitted,
Judith A. MacDonald
Registrar of Deeds

1988-89 REPORT OF THE HILLSBOROUGH COUNTY COOPERATIVE EXTENSION

The Hillsborough County Cooperative Extension serves all the residents of Hillsborough County in the areas of Agriculture, Forestry, 4-H Youth Development, Home Economics and low-income nutrition programs. Offices are located in Milford and Goffs Falls and are staffed by eleven professionals and three EFNEP Program Associates.

Agriculture

The agricultural agents are providing individual counseling to commercial growers, small farmers, landscapers, garden center operators and town officials. The agents also arrange and participate in educational programs for commercial growers, commercial organizations, small farmers, as well as home gardeners and home owners.

In addition, the agricultural agents attempt to reach the general public through regular news articles and garden columns that are prepared each week and sent to the county's daily and weekly newspapers. Agents also supplied residents with farm building plans, livestock information, soil test results to 430 individuals and over 800 residents attended programs for small farmers and gardeners.

The 1988-89 programs, and contacts through news media, visits and phone contacts reached a total of over 6 million people, with repeats. A total of 5,200 people were assisted directly or through educational meetings, providing up-to-date information to home owners and commercial growers.

4-H Youth Development

4-H Youth Development is a learn by doing program for youth ages 8-19. Through hands-on projects, 4-H members have fun while developing skills in local or community clubs with one or more adult leaders.

Some of the major projects include: Animal Science, Careers, Forestry & Wildlife, Child Care, Food & Nutrition, Gardening, Citizenship, Camping and Outdoor Education and many more. 4-H members learn about creativity and self-expression, taking and following directions, being self-sufficient, working with people of all ages, appreciating nature, as well as achievements of humans, but mostly they learn about themselves and what they can achieve if they try.

The 4-H Club program offers educational programs from offices in Milford and Pine Island (Goffs Falls).

This year accomplishments included 77 4-H Clubs with 611 members enrolled. 494 volunteers donated their leadership skills and time to the 4-H program for over 10,000 hours of staff and volunteer time in such areas as day and livestock camps attended by 408 youths.

Home Economics

The Extension Home Economics program helps families and individuals to solve problems related to food, nutrition and health, textiles and clothing, housing and home furnishings, human development and family living, consumerism, energy, and family resource management.

Up-to-date research-based practical information is offered through workshops and classes, newsletters, printed publications, radio, newspapers, and organized Extension Homemakers Groups.

This year programs involved a total of over three million people, with repeats, at a cost of 2½ cents per contact. Educational meetings reached 5,734 homemakers directly. The Expanded Food and Nutrition Education program for low-income families served 633 different families.

Forestry

Your County Forestry programs are jointly administered by Cooperative Extension, UNH, the State Department of Forests and Lands and the County.

Our effort is designed to provide education and technical assistance in multiple-use forest management on private lands. This assistance is provided to private forest landowners, the forest products industry, municipalities and the general public. Information is presented through workshops, forest forums, field days, and one-on-one contacts with landowners, loggers, and forest product industries.

Education and assistance efforts of our program include bulletins, news articles, radio, television, and field demonstrations.

We also advise home owners on urban forestry problems as well as encourage youth groups such as 4-H, vocational agriculture and Scouting to become involved in learning and practicing good forestry.

This year's accomplishment highlights were 12,000 acres examined (375 land owners), 303 acres marked for cutting, 38 management plans designed, 59 educational meetings conducted with an attendance of over 2,000 landowners.

Sincerely,
John Ferguson
Extension Educator, Forestry

HILLSBOROUGH COUNTY SHERIFF'S DEPARTMENT 1989 ANNUAL REPORT

As I near the end of my fifth year as Sheriff of Hillsborough County, I am concerned with the present paradox of ever-increasing demands for our services, and the "cut the budget" attitude prevalent among many legislators today.

Since my first day in office, November 8th, 1985, I have seen dramatic increases in our workload, with no increase in manpower. We are now at the breaking point, and there's no letup in sight. Nonetheless, I firmly believe we have a duty to serve every writ of civil process, every bench warrant, every felony and marital warrant, and any other process assigned this department, as well as transport all of this county's prisoners. To this end, we will devote all possible effort.

To give an idea of our work volume, consider the following statistics for 1989:

- **Over 1400 bench warrants cleared**
- **570 felony warrants cleared**
- **160 out of state extraditions**
- **6200 prisoners transported (Approx. 25% for town departments)**
- **Revenue returned to county for FY 89 was \$709,107 (Including bailiff fees)**
- **156 marital warrants cleared**

In addition, our 22 Bailiffs monitored and checked more than 30,000 plaintiffs, witnesses, jurors, and visitors in the Manchester and Nashua Courthouses.

AND, our writ service fees returned **\$525,507** to the county general fund, resulting in a net cost to the taxpayers of Hillsborough County of **\$789,474** to operate this department. That factors out to **\$2.43** per resident per year, which I feel is a very reasonable cost for our services.

Finally, I must thank each and every member of my staff who worked with me to achieve this level of efficiency, and also those legislators who have shown support and understanding toward our department, and those whose votes gave me this opportunity to serve as Sheriff of Hillsborough County.

Respectfully submitted,
Louis A. Durette,
Sheriff

